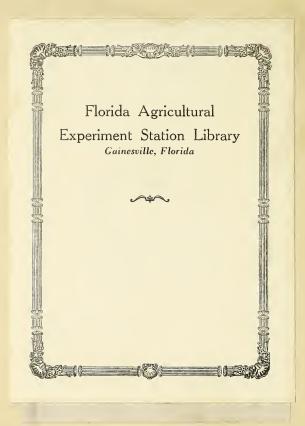
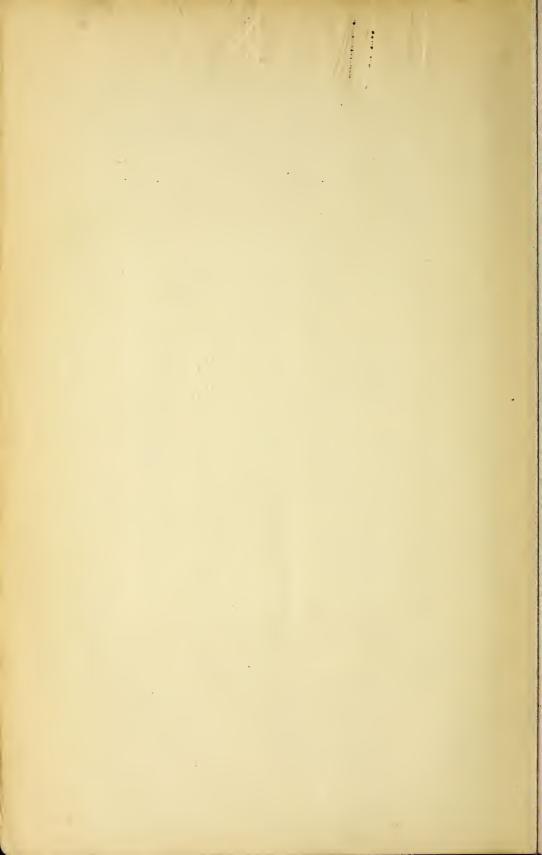
PUBLIC ADMINISTRATION AND THE UNITED STATES DEPARTMENT OF AGRICULTURE

GAUS · WOLCOTT







COMMITTEE ON PUBLIC ADMINISTRATION SOCIAL SCIENCE RESEARCH COUNCIL

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PUBLIC ADMINISTRATION AND THE UNITED STATES DEPARTMENT OF AGRICULTURE

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PUBLIC ADMINISTRATION AND THE UNITED STATES DEPARTMENT OF AGRICULTURE

By John M. Gaus
Leon O. Wolcott
with a chapter by
Verne B. Lewis

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To the Members of the United States Department of Agriculture

COMMITTEE ON PUBLIC ADMINISTRATION OF THE SOCIAL SCIENCE RESEARCH COUNCIL

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ROBERT T. CRANE, Executive Director of the Council

FOREWORD

agencies of government in the world. Its activities are varied, its organization units numerous. The increasingly close association of interest groups with government is well exemplified in its history and present programs. It is an outstanding example of the association of science and government. For the successful discharge of its responsibilities it must collaborate with state and local governments, and to facilitate such collaboration agencies and procedures have been instituted characteristic of our federal system in action. Because of these attributes, the programs of the Department and the evolution and analysis of its organization and procedures are of especial interest to the student of government. The development of the Department pursuant to its added responsibilities under the New Deal program and the challenge to agricultural policies presented by the present war enhance the importance of efforts to appraise its administrative policies.

We wish to record at the outset, therefore, our gratitude for the opportunity extended to us by the Committee on Public Administration of the Social Science Research Council to undertake the present study. Our object has been to encourage and to provide a setting for research in administration under our federal system. We are convinced that only by studies undertaken at many places and reflective of local and regional conditions can the nature of a national department in our federal system. be understood. We have also tried to throw light on the nature of departments generally by our study of this particular one. The two objectives are complementary and interdependent. The nature of a department—certainly of the United States Department of Agriculture —is profoundly conditioned by the sharing of power and responsibility among three levels of government and by the existence of regional and local variations of the problems accorded public treatment. This study is not a comprehensive definitive description of the Department; the need for using our limited time to best advantage has led us to omit treatment of aspects already covered in other studies, to encourage studies by others better equipped to undertake them, and to select topics for emphasis with a view of revealing the rich opportunities and urgent challenges for research in this sector of government at institutions throughout the United States. This emphasis, indeed, is but reflective of the traditional research policy of the Department in its relations with the colleges of agriculture and the agricultural experiment stations.

We would remind the reader that the Department cannot be understood from a description of it at any time, or as an isolated and self-contained unit of government. Its real significance is to be discovered by noting tendencies and adjustments over a period of years, and especially by analyzing its activities in an area, or in relation to a commodity, as part of a network of governmental and other agencies of social control. Only through such studies, continued over a period of time, can one determine what governmental services on the national level are needed to serve and complete the social adjustments required in the local community, and how far the Department is adapted to this task. We therefore accept the obligation, as individuals who have had the privilege of making this study, to continue to follow developments in this field, to interpret them to our colleagues as opportunity offers, and to encourage studies in this field so far as we are able.

The reader will note that our treatment reflects two assumptions concerning such research as this in public administration. One is the importance of relating the problems of a subject-matter field, such as agriculture or housing, to administrative organization and procedure through which subject-matter functions are administered. The study of public administration may be considered, in the use employed here, as an "auxiliary service" to the study of the subject-matter problem. The second assumption is that researches in administration need to be developed as parts of comprehensive programs of regional and local appraisal. We know too little of the resources and problems of our own communities and regions and introduce our students to them too infrequently. We believe that such research has valuable civic influence; for example, in the education of public servants, in the motivation of university and other research, and in stimulating the collaboration of public officials, scholars, and citizens generally.

Since changes in so large an organization occur frequently, we have described the Department as it existed at the close of June, 1939, except for brief reference to a few subsequent developments of unusual relevance to the purposes of our study.

The reader will note how much we are in the debt of many scholars and officials. We have a special obligation to the many officials of the Department and of other government agencies on all levels of government and of various organizations for their generosity in placing their experience and observations at our disposal. We were always received

most courteously and generously by busy officials and every facility was extended to us. Early drafts of the study were read by a number of persons of varied experience and points of view; we should name them but for the fear that, since some readers might assume that they subscribed to the views expressed here, we should thereby do them some injustice. We have profited greatly by the criticisms and suggestions which were most generously given to us. The experience of this helpfulness is one of the amenities of the life of the student, and we can only offer here our gratitude. The frequent reference in the notes to books and reports will show our indebtedness to many writers, the anonymous authors of government publications as well as such helpful guides as Wanlass, Wiest, Alice Christensen, Gladys Baker, Russell Lord, and others who have pioneered in this field. The Libraries of the Department, it may be added, will be found ready to help in guiding the student through the great quantity of materials constantly pouring forth in this field from the Department and the various land-grant institutions. We have had the privilege of reading parts or all of studies under way at the time of our own study, notably David Truman's account of the Chicago regional offices of the Department and Donald Blaisdell's studies of pressure groups and of government and agriculture; some of these will be generally available shortly.

Our work has been the pleasanter and more interesting because of collaboration with others. Charles McKinley, of the faculty of Reed College, Portland, Oregon, contributed invaluable sampling studies of national-state-local relations in various activities of the Department in the Pacific Northwest region; we profited from an opportunity of reading a study of the budget procedure of the Department, written as a Master's thesis in the public service training program of the University of Minnesota by Verne Lewis, which he has summarized and generously permitted us to publish as an appendix to this volume. Mr. Lewis subsequently became an official of the Office of Budget and Finance of the Department, and we wish to make it clear that the views expressed in his discussion are based upon studies made when he was a graduate student at the University of Minnesota, and that the Department has no responsibility for them. Similarly, it should be pointed out that Mr. Wolcott's association with the Department followed his participation in this study, and that his views expressed herein are in no way to be taken as those of the Department. We record our grateful appreciation for research assistance granted by the Graduate School of the University of Wisconsin through Dean Edwin B. Fred.

While the Social Science Research Council has made available the funds with which this study has been conducted, neither directly nor through its Committee on Public Administration has it reviewed the findings of the study in the sense of approving or disapproving them. As in all studies under the auspices of the Council, the authors alone are responsible for the statements of fact and the interpretations and opinions set forth in the report.

JOHN M. GAUS LEON O. WOLCOTT

September, 1940

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Part I

The Evolution of the Department of Agriculture



CHAPTER I

ORIGINS OF THE DEPARTMENT: 1862-89

TE INTRODUCE our discussion of problems of administration in the United States Department of Agriculture by reviewing the evolution of the Department, despite the existence of many accounts of its history and of many descriptions of its activities. Our purpose is limited by the desire to discover whether any such central core of functions, with administrative facilities to implement them, has developed that would warrant the use of the term "department." Is there, indeed, a Department of Agriculture? Or, is there only a fortuitous collection of administrative agencies grouped by statute under that term? Light should be thrown upon this question by an examination of the activities that have been assigned to the Department since its establishment, for they will indicate something of the place into which it has developed in our political economy. Such factors as personality, vocational group interests, and social movements generally make the problem of administrative reorganization far more complex than at first appears. The structural adaptation of the Department to these activities and the administrative problems that have resulted will be further evidence to be evaluated.

THE FOUNDING OF THE DEPARTMENT

The United States Department of Agriculture was created in 1862 by an act of Congress signed by President Lincoln on May 15. The new Department had its origins in the Patent Office, first located in the Department of State and later in the Department of the Interior. That Office had distributed seeds and cuttings collected by our consuls and other agents abroad; in 1839 it received its first agricultural appropriation of \$1,000 for seed collection and distribution, for agricultural investigations, and for the collection of agricultural statistics. "Some years later," remarks Arthur Chew, "the Patent Office appointed an agricultural

¹We have found many articles in Agricultural History, the quarterly journal of the Agricultural History Society, of great value in our studies. Staff members of the Bureau of Agricultural Economics have been active in the Society; the editor, E. E. Edwards, is a staff member of the Division of Statistical and Historical Research.

chemist. In 1854 Congress increased the agricultural appropriation to \$35,000 and authorized investigations in botany and entomology." 2

The act of 1862 placed the Department under the head of a Commissioner, not a Secretary, who, of course, did not rank as a Cabinet member. This act, frequently referred to, significantly enough, as the "organic act," may usefully be quoted in part: 3

Sec. 1. That there is hereby established at the seat of government of the United States a Department of Agriculture, the general designs and duties of which shall be to acquire and diffuse among the people of the United States useful information on subjects connected with agriculture in the most general and comprehensive sense of that word, and to procure, propagate, and distribute among the people new and valuable seeds and plants....

Sec. 3. That it shall be the duty of the Commissioner of Agriculture to acquire and preserve in his Department all information concerning agriculture which he can obtain by means of books and correspondence, and by practical and scientific experiments (accurate records of which experiments shall be kept in his office,) by the collection of statistics, and by any other appropriate means within his power; to collect, as he may be able, new and valuable seeds and plants; to test, by cultivation, the value of such of them as may require such tests; to propagate such as may be worthy of propagation, and to distribute them among agriculturists.

Details of organization were left to the initiative of the Commissioner and to subsequent appropriation acts and general legislation; but Section 4 of the act authorized the Commissioner to employ a chief clerk and "such other persons, for such time as their services may be needed, including chemists, botanists, and entomologists, and other persons skilled in the natural sciences pertaining to agriculture." 4

The circumstances relating to the founding of the Department throw much light on its future and reflect aspects of continuing importance in

²"Evolving Service Functions of the Department of Agriculture," Rural America, February, 1938, p. 11; see also his The Response of Government to Agriculture (1937), "an account of the origin and development of the United States Department of Agriculture on the occasion of its 75th anniversary."

⁸12 Stat. L. 387.

It is significant that the Dictionary of American Biography contains biographical sketches of William Saunders, the first Botanist and Superintendent of the Propagating Gardens; C. M. Wetherell, the first Chemist; and Townend Glover, the first Entomologist of the Department. There are also sketches of Isaac Newton, the first Commissioner, who had previously been appointed by President Lincoln to take charge of the agricultural work done in the Patent Office, as well as of his successors in the commissioner-ship: Horace Capron, Frederick Watts, William LeDuc, George Loring, and Norman Colman. The latter was appointed by President Cleveland as the first Secretary of Agriculture. There are many one-time civil servants of the Department who have received the distinction of inclusion in the Dictionary of American Biography.

administration. William L. Wanlass, who was employed in the Department from 1912 to 1917, remarks, "It is to the work and influence of the United States Agricultural Society, more than anything else" that the passage of the organic act may be attributed. He adds: 5

It is remarkable that such legislation could have been exacted from Congress during what was, perhaps, the most critical period of the Civil War. That the new Republican party, which had just come into full power, was in close alliance with the farming interests of the North is further attested by the passage, in this same year, of two other farreaching acts in the interests of agriculture: that of June, 1862, called the "Morrill Act," after its principal sponsor in the Senate, granting large tracts of public lands for the establishment of an agricultural college in each of the States; and the homestead law, which provided for giving public land to the individual who had occupied and improved it, instead of paying a purchase price.

Lloyd M. Short also noted the role of an interest group, the organized agricultural societies, in the establishment of the Department.⁶ This influence was to persist. Twenty-five years later the designation of the Department as an executive department with a Secretary in the President's Cabinet was claimed by the Grange as due to its influence. A frequent assumption of agricultural organizations, as well as of some members of Congress, is that the Department was created for the special service of farmers. The bearing of such a viewpoint on problems of administrative policy is obvious, since the effort to uphold a public standard in administration may subject the Department to criticism on the ground that some immediate farmer interest is thus opposed.

Although the Department grew out of functions long performed on a modest scale in the Patent Office, officials responsible for these earlier activities had urged their expansion as well as a more substantial organization of governmental services to agriculture. Such advocacy by public officials of an expansion of functions is a characteristic feature of administrative history and seems almost inevitable in the development of the modern state. Whenever the function of collecting information about any human activity is conferred upon government, those assigned this task readily come to see that certain problems or opportunities for facilitating the action of individuals by collective effort are being ignored. This tendency is the substantial basis for the charge that civil servants

⁵The United States Department of Agriculture—A Study in Administration (Baltimore: Johns Hopkins University Press, 1920), pp. 20-21.

⁶The Development of National Administrative Organization in the United States (1923),

pp. 377-78. See chap. xviii on the Department. We are greatly indebted to this valuable study.

grasp for more power, but the accusation that the tendency is caused by greed and arrogance by no means follows. It does follow, however, that proposals for expansion need to be evaluated by representatives of the public other than the operating officials charged with the original functions: an appraisal should be made not only by the legislature but also by other officials in a position to view such recommendations as they affect, and are affected by, other departments and the total claims upon the government's resources in men and materials.⁷

Collection and distribution of basic information influence not only the officials immediately concerned: the interest groups in society generally find in such material many of the data on which they build their case for further governmental action. The recording of vital statistics, for example, has played a great part in the extension of public health work. The same truth is constantly exemplified in agricultural administration; there could have been no effective movement for parity for farm prices unless many groups had become informed about the movements of prices and commodities in relation to one another.

The influence of the political movements associated with the victory of Lincoln and the Republican party and with the withdrawal of the South from the national Congress should also be noted. The desire of many engaged in agricultural sciences to claim a divorce of their subject from politics should not blind us to the fact that not only the organic act of the Department but also two other acts affecting agriculture that were passed in 1862—the Morrill Act and the Homestead Act—reflected a political victory and rested upon a common political philosophy. The establishment of the Department constituted a major extension of the activities of the national government, just as twenty-five years later the grant-in-aid device, already indicated by the land-grant practice, was an invention destined to extend governmental activity on all three levels—national, state, and local. Hence, the student of administration will be equally interested in the Morrill Act and (when we consider the current tendencies in land-use policy) in the Homestead Act.8 The Department was established at a time when, by the latter Act, the policy of encouraging widespread settlement of owner-occupiers was victorious. The view that the North was primarily an industrial interest requires modification: there was also a West, and its ideal was that of the landowning and land-working free citizen. That this conception remains powerful today is revealed by the efforts at arresting tenancy through the

⁷For a more detailed discussion of these questions see below, pp. 275 ff.

⁸See below, p. 117.

encouragement of land ownership, as well as by the opposition to various measures of land policy.9

The Morrill Act, however, has even greater significance to students of administration in view of current administrative problems. From the colleges established or assisted through the land grants authorized by this Act and subsequent legislation, many civil servants of the Department have been recruited. Moreover, several of the most outstanding secretaries, including Wilson, Houston, and the two Wallaces, as well as Under Secretary Wilson and many of the assistant secretaries, have had some important association with these colleges as students, teachers, deans, or presidents. Later, expansion of the influence of the landgrant colleges also came with the establishment of state experiment stations and cooperative extension services in 1887 and 1914, with their headquarters at the colleges; all three agencies were closely integrated in program and personnel in 1939. 11

The circumstances surrounding the adoption of the legislation of 1862 have been analyzed by Earle D. Ross of Iowa State College, to whose researches in the history of the Department and of the land-grant institutions all students of administration are the more indebted because of the paucity of administrative history.¹² Mr. Ross warns against any sentimental and hindsight ascription of plan and balanced philosophy to the legislation of the period. He points out that movements, forces, and institutions were encouraged that were to develop contradictory and antagonistic results and vested interests in the future, to the extent that "the present necessity for an agricultural new deal, of some sort and degree, is due largely to the incompleteness and ineffectiveness of that of the Civil War." In fact, the supposed democracy of the movement for free land was really a reflection of the atomistic nature of American society and economy that also permitted the rise of arbitrary controls in railroading, finance, and industry—all encouraged at the same time by

⁹ See below, p. 130.

¹⁰ Some of the commissioners contributed to the founding or development of landgrant colleges in their states; relations in point are those of Watts and the Pennsylvania State College, Loring and the Massachusetts Agricultural College (now Massachusetts State College), and Colman and the University of Missouri.

State College), and Colman and the University of Missouri.

11 The standard accounts of these developments are three Miscellaneous Publications of the U. S. Department of Agriculture, Nos. 15, 36, and 251, by Alfred C. True: A History of Agricultural Extension Work in the United States, 1785–1923 (1928); A History of Agricultural Education in the United States, 1785–1925 (1929); and A History of Agricultural Experimentation and Research in the United States, 1607–1925 (1937).

^{(1937). &}lt;sup>12</sup> See, for example, his valuable article, "The Civil War Agricultural New Deal," Social Forces, October, 1936, pp. 97-104. This is a model of interpretation of administrative history, throwing light, as it does, upon current and future problems confronting the administrative institutions by its analysis of their historical setting and evolution.

special favors, such as land grants, tariffs, and other measures. Neither the new Department nor the land-grant colleges would, for a long time to come, have the resources for encouraging a better-balanced judgment in these matters.

Farm organizations were divided by regional and commodity interests and in any event were unfriendly to regulation by government; no substantial agreement on ideas or methods existed among educators or consultants; interest in land speculation was tied both to railroad promotion and to the interests of individual settlers. The new plains frontier was politically organized and opened up and settled with little, if any, heed to its natural features of climate and land cover. According to Mr. Ross, ¹³

The new department—anomalous in nature since while independent it was not of cabinet rank—was launched under political rather than scientific auspices with an amiable but incompetent, politicallyscheming market gardener at the head. The scientists, the brain trusters of their day, were neglected or, in certain notable cases, summarily dismissed. The only contributions to more abundant living were the continued distribution of exotic seeds, a long-standing abuse, carried over from the Patent Office period, and unofficial patronage to the launching of societies of Flora, Ceres, and Pomona.... The newtype colleges, not subjected to the centralizing control that the period inaugurated, were left to the varieties, vagaries, and competitive conflicts of local self-determination and consequently did not begin to function during the period of the war.... The colleges had to be sold to their constituencies but before the experiment stations there was little to sell that was tested and standardized, and before organized extension there were no effective selling agencies.

Two other aspects of the new Department were the relative specialization of research work and the fluidity of internal organization. The actual work that had been done in the Patent Office—and that envisaged in the legislation as well—was directed to specific problems and to

18 Op. cit., pp. 100-1. An interesting picture of the land-grant colleges as they were getting established and under way and of the shift from seed distribution as minor political spoils to plant research will be found in David Fairchild's The World Was My Garden (1938), chaps. i-iii. Mr. Fairchild pioneered in the plant exploration and introduction work of the Department. Mr. Ross has called our attention to two articles by E. W. Hilgard, "Progress in Agriculture by Education and Government Aid," Atlantic Monthly, 49 (1882), 531-41, 651-61; they are valuable for their appraisal of the work of the land-grant colleges and of the Department at that time. Mr. Hilgard notes the exploitative practices of American farmers and suggests that not until cheap good land is gone will improvement be forced. He also records the different corporate interests and attitudes of the Department and the land-grant institutions. See also Elizabeth A. Osborne (ed.), From the Letter-Files of S. W. Johnson (1913). Mr. Johnson was Professor of Agricultural Chemistry at Yale University, 1856-96 and Director of the Connecticut Agricultural Experiment Station. A letter from Mr. Hilgard (p. 225) reflects the attitude of scientists in the state institutions toward the national Department and its Commissioner.

specific plants and animals. The conception was, one may suggest, atomic rather than ecological: it would apply to bits of agricultural problems, to fractions of the farm plan, rather than to natural regions or to the nice interrelations of commodities to one another and to the area in which they were grown. A recognition has gradually developed of the sensitive interdependence of all factors affecting a farmer on his farm and his need for something in addition to information—however good in itself—about a particular commodity or problem. This development has been due in part to the Department's researches, as well as to the pressure of prices in national and international markets, on the one hand, and of local tax rates and other indices of land-use problems in a local community, on the other.

The organic act left the details of organization largely to the Commissioner, subject, of course, to provisions in the annual appropriation acts. Throughout its history the Department has been fortunate in this relative freedom to adjust its resources to its changing tasks. Only a few of the Department's bureaus have been established by statute—notably the Bureau of Animal Industry and, much later, the Soil Conservation Service. Perhaps the Department itself wanted this latter activity, transferred from the Department of the Interior, to be more definitely incorporated in the Department of Agriculture. Generally speaking, the Department has been able to rearrange its organization through the more flexible medium of appropriation acts or even by regulations of the Secretary.

EARLY ACTIVITIES

Although twenty-seven years elapsed between the founding of the Department and its elevation to the status of an executive department, three of its major functions were established during the interim: research in the sciences basic to agriculture, facilitation of production, and facilitation of marketing. Carleton R. Ball, in a lecture delivered in the Graduate School of the Department, refers to this period as one in which the principal function was investigation and in which the outlook of the personnel was individualistic.¹⁴ The development of research

¹⁴Carleton R. Ball, "History of the United States Department of Agriculture and the Development of Its Objectives," *Department of Agriculture Objectives*, Graduate School, Department of Agriculture (1936). His data on other periods are as follows:

	1	2	3	4
Period		1888-1912	1912-32	1933-62
Number of Years		25	20	30
Major New Objective I	mprovement	Protection	Education	Stabilization
Principal New Function. I	nvestigation	Regulation	Extension	Planning
Structural TrendI	Development	Organization	Coordination	Cooperation
Personnel OutlookI	ndividual	Bureau	Departmental	National

in the natural sciences generally was characteristic of the growing maturity of American society and the work of the Department in laboratory, garden, and field plot was developed by chemists, botanists, and entomologists.¹⁵ In the first year of the new Department a Division of Chemistry, a Propagating Garden, and a Library were established; within the next twenty years divisions or other administrative units were created for entomology, fiber investigations, statistics, soil analysis, botany, microscopy, forestry investigations, and the investigation of animal diseases. The application of these researches was aimed at facilitating agricultural production by fighting pests and diseases harmful to plants and animals and by improving factors in production.¹⁶

A new note was introduced with the establishment by statute in 1884 of the Bureau of Animal Industry. The growing European markets for our livestock and meats were threatened by quarantine action taken at British ports in 1870 against American cattle infected with pleuropneumonia, which had entered this country in 1843 and again in 1859. The rapid spread of the infection led to efforts to obtain state action; such action was inadequate, however, and the new Bureau, building upon work already initiated in the field of animal diseases and veterinary science, with the cooperation of the states eradicated the disease within five years.¹⁷ It has subsequently attacked other animal diseases, such as hog cholera, cattle fever, anthrax, bovine tuberculosis, and Bang's disease, and through its researches has made highly important contributions to medical science. To the student of administration such services illustrate the fact that regulation of a citizen's activities (a power first conferred in a direct way upon the Department in the act establishing the Bureau) may actually widen his freedom in obtaining protection from coercion by natural forces with which he cannot cope unaided. 18

¹⁵The development of scientific studies, as well as of the specialized and atomic type suggested above, was stimulated by the return during the seventies and eighties of many graduate students from Germany, by the expansion of the older educational institutions, such as Harvard under Eliot (a chemist), by the founding of new ones, such as the Johns Hopkins, and by the development of the land-grant institutions. There were also differences in outlook and temperament between commissioners and scientists. We are indebted to Mr. Ross for references on this development to the American Naturalist, VI

(1872), 39-45, and the American Journal of Science, III (1872), 315-18.

16 See, for example, K. A. Ryerson, "The History and Significance of Plant Introduction Work of the United States Department of Agriculture," Agricultural History, April,

1933, pp. 110-28.

The Response of Government to Agriculture, pp. 30-31. See also, below,

pp. 166 ff.

18 The theory of political freedom expressed here is in general one that developed in the nineteenth century throughout the western states most affected by modern science. See, for example, A. V. Dicey, Lectures on the Relation Between Law and Public Opinion in England During the Nineteenth Century (1905); John Dewey, The Public and Its

At the same time, the action of the national government implements state action and affords a protection against those states that handle the problem inadequately ¹⁹ or not at all.

During these earlier years of the Department the land-grant colleges were beginning to take shape. Their arrival as a force of importance in influencing national legislation was marked by the passage of the Hatch Act in 1887, for whose enactment they worked in cooperation with the National Grange.²⁰ This Act, extended and enlarged by the Adams Act of 1906, the Purnell Act of 1925, and the Bankhead-Jones Act of 1935, expanded the land-grant principle into a policy of national financial grants to the states destined subsequently to be applied to many other functions of government.²¹ Under this legislation funds were made available annually to agricultural experiment stations in each state. The Department, through its Office of Experiment Stations, must audit expenditures of these funds to insure their use for the specified purposes of research. Recent developments in this national-state cooperation in

Problems (1927); Felix Frankfurter, The Public and Its Government (1930); J. Mark Jacobson, The Development of American Political Thought (1932), especially chaps. vii and viii; and L. T. Hobhouse, Liberalism (1911).

19 The development of research and activities by national and state governments is well

described for one field by L. O. Howard in A History of Applied Entomology (1930). Note especially his biographical sketches of Glover, Riley, and Comstock; the sections "The Teaching of Entomology in the United States," "Entomology Under the Federal Government, 1878–1894" (in which he notes that President Cleveland placed all the bureau chiefs except the Chief of the Weather Bureau under the civil service system), "The Hatch Act and the State Experiment Stations," "Fake Insecticides and Insecticide Legislation," "The Later Work of the Federal Bureau," and "American Entomology in Fifty Years." He notes (p. 167) that the failure of the Commonwealth of Massachusetts to attack the gypsy-moth situation in the 1890's created a problem extending beyond its borders in later years which forced national action. Reference may be made also to his Fighting the Insects (1933) for the memoirs of a career civil servant in the Department.

The close connection between the Grange and the Department in the early decades of their history is illustrated by the career of William Saunders. He was Superintendent of the Propagating Gardens of the Department from its founding until his death in 1900; as recorded by his biographer in the Dictionary of American Biography, he was one of the seven founders of the National Grange of the Patrons of Husbandry (popularly referred to as "The Grange"), author of its constitution and preamble in 1867, and master of the national organization for its first six years. Other Grange leaders employed in the Department were O. H. Kelley and William Duane Wilson. The passage in 1890 of the Second Morrill Act was further evidence of the growing influence and importance in national legislation of the land-grant colleges. This Act applied the grant-in-aid device to the further benefit of the land-grant colleges by an annual lump-sum appropriation to each institution from the national treasury.

²¹For the administration of the various grant-in-aid systems see the definitive study by V. O. Key, Jr., The Administration of Federal Grants to States (1937). The Canadian system is described by Luella Gettys in The Administration of Canadian Conditional Grants (1938). The statutes governing the relations of the Department to the agricultural experiment stations are conveniently available in Department of Agriculture, Laws Applicable to the United States Department of Agriculture (1935), pp. 156-65. National-state cooperation is described in detail by Carleton R. Ball in Federal, State and Local Administrative Re-

lationships in Agriculture (1938).

research point toward the possibility of a more regional and ecological basis for research programs, supplementing the earlier emphasis on more individualistic field and laboratory work reflective of the stage of scientific studies in chemistry characteristic of the last half of the nineteenth century.

CHAPTER 2

PLURALISM—GROWTH AND VARIETY OF ACTIVITIES: 1889–1913

HEN THE DEPARTMENT was elevated in status by the act of February 9, 1889, its functions were still primarily research in nature, although the first of its regulatory powers had also been conferred. Its annual expenditure had increased from less than \$100,000 in 1862 to approximately \$2,000,000 in 1889. Apparently, however, the more intangible factor of a desire to achieve recognition for the farmer led to the passage of the act. The new status of the Department and the appearance of a Secretary of Agriculture were significant not because of any accompanying important change in the Department's functions or increase in its expenditures; these changes had been gradual. What was significant was the first appearance in our national government of a major department established to represent a major interest agriculture. The time was the eve of the census that, as Frederick Jackson Turner was shortly to point out,2 was to be historically significant as the one in which a frontier line no longer could be clearly traced.

The influence of farmer organizations had been thrown behind movements to regulate railroads and to expand the currency. The Knights of Labor were shortly to be succeeded by the American Federation of Labor. The first settlement houses, witnessing the problems of American cities, were founded in 1889 and 1890 in Chicago, Boston, and New York. The city-planning movement was shortly to be stimulated by the Chicago World's Fair of 1893 and by the leadership of Charles Eliot and Charles Francis Adams in developing the metropolitan park system of Boston. New York State had established in 1885 its great forest reserves, the Catskill and Adirondack Parks, so that these uplands, unsuited to agriculture and the source of so many rivers and streams, would be set aside and conserved for the public benefit. Prophetic of the developments

¹See Wanlass, op. cit., p. 23; Short, op. cit., pp. 383, 393; Chew, The Response of Government to Agriculture, p. 14; Allan Nevins, Grover Cleveland, A Study in Courage (1932), p. 362.

(1932), p. 362.

2"The Significance of the Frontier in American History," a paper read at a meeting of the American Historical Association in Chicago, July 12, 1893; republished in The Frontier in American History (1920) and in Everett E. Edwards (compiler), The Early Writings of Frederick Jackson Turner (1938).

of the next fifty years, the act of Congress of March 3, 1891, authorized the President to reserve public lands "bearing forests" as "national forests" by public proclamation. The roots of our current problems, including the devising of administrative organizations and techniques for attack upon them, are to be found in the later decades of the nineteenth century. Nor should we overlook the inevitability of our closer association with events throughout the world foreshadowed by the Spanish-American War and the concomitant policies of our government in China and the Far East and those about the Panama Canal.

Bryce, in *The American Commonwealth*, published in 1888, had prophesied the approach of American society to the characteristic problems of the older societies of Europe. During the next fifty years the organized interest groups were to become more clearly the important forces in politics which we have since seen them to be and were in part to be brought within the formal structure of government. But was there to be another and different meaning to the term "agriculture"? Was there a public interest in agriculture that differed from that of the farmer? Was this interest something inclusive of, yet in addition to, the activities of the agencies placed in the new Department? What facilities were to be developed for the use of the new Cabinet member in an effort adequately to represent agriculture as thus more widely conceived? These questions were to have a practical bearing on the administrative developments of the next half century.

We have seen that the basis of the Department's organization up to the time of its elevation in status had been either a scientific research activity or a commodity. For a time the addition of units for such purposes continued to be the form of its growth, with little or no corresponding development of over-all departmental functions or agencies. The first unit auxiliary to all the operating units had existed from the beginning: the Library; perhaps one should include the Propagating Garden in this category, since it was utilized by several research units. Lloyd M. Short records that a Division of Accounts and Disbursements was established in 1880 as a branch of the Commissioner's Office and that it became a separate Division in 1889—the ancestor of the Office of Budget and Finance.

The act of February 9, 1889, gave to the Department a Secretary and an Assistant Secretary, both to be appointed by the President and hence to

^{*}Note the use of the term "public" in Dewey, op. cit.

*Within twenty-five years, indeed, "commerce" and "labor" had also successfully pressed for representation.

be political chiefs of the Department selected on the basis of political criteria, as is necessary in a system of representative government. Presumably they would be the channels through which the Administration of the day would communicate with agricultural interests and through which those interests would normally communicate with the Administration; they would also be responsible for counseling on the national agricultural policies to be presented to Congress and to the country generally. Secretary Rusk, the second to occupy the post (his predecessor, Secretary Colman, had been Commissioner at the time of the passage of the act), assigned the general direction of the Department's scientific work to the Assistant Secretary and also established a Division of Records and Editing, the ancestor of the Office of Information. It was not until 1801 that provision was made for an appointment clerk nor until 1896 for a chief of the Division of Supply in the Office of the Secretary; it was only with the addition of new operating functions in the long secretaryship of James Wilson (1897-1914) that important rearrangements in internal organization took place.

THE DEPARTMENT UNDER SECRETARY JAMES WILSON

During the early years of the Wilson secretaryship there was developing in the Department a characteristic personnel, derived from the increasing number of civil servants recruited from the land-grant institutions which had now become more firmly established in the educational system of the country. Many graduates of the colleges of agriculture found service in college teaching, in research in agricultural experiment stations and in the Department, and in administrative positions in national or state agencies.⁶ This interweaving of service meant that a genuine career service, open to talent, had been made possible by the Morrill Act and by the Department's development—an example of national-state relationship of the greatest significance. Many civil

⁵We refer to their ability to represent substantial experience and interests, to contribute effectively to the counsels of the party in power, and to influence opinion generally. See below, p. 301.

The career of the late B. T. Galloway illustrates the point. He was graduated from the University of Missouri, where he had specialized in botany and horticulture and where he remained for three years after graduation as an assistant horticulturist. He came to the Department in 1887 and was appointed head of the Section of Mycology when its previous head resigned to become Director of the new Agricultural Experiment Station at the University of Tennessee. He succeeded William Saunders as Chief of the Division of Gardens and Grounds in 1900 upon the death of that distinguished civil servant. This unit was incorporated with five others in the new Bureau of Plant Industry. He served in the early years of the Houston Administration as Assistant Secretary of Agriculture, became Dean of the New York State College of Agriculture, and finally returned to the Department to continue his scientific work in the Bureau of Plant Industry.

servants of the Department were farm-bred; they were natural scientists by training; they were conditioned both by the period of expanding economic activity that prevailed in general throughout the nation and by the ideals of the individual farm-owner-occupier. The implications of increasing interdependence of our own economic system with world factors and of our transition from a frontier society still lay, for the most part, in the future. For the moment, the major challenges were the tasks of pushing back the frontiers of ignorance about the problems of the natural sciences relating to agriculture and the dissemination of the new knowledge to the individual farmer.

Emergence of a Corporate Atmosphere

From this homogeneity of origin, training, and type of career and professional interest of those who were rising to the higher posts in the permanent civil service, there emerged a corporate atmosphere in the Department—currently present, if diluted, Secretary Wilson was well qualified, both personally and through his unprecedented length of service as head of a department, to strengthen such an outlook in the Department. His previous service on the Committee on Agriculture of the House of Representatives was an asset in the important relationship of a department head to Congress. He was from Iowa, which remains perhaps most typically an agricultural state. For many years he had been a contributor to a famous farm journal, The Iowa Homestead; and he had served as professor of agriculture, Director of the Experiment Station, and Dean of the Iowa State College of Agriculture, His biographer in the Dictionary of American Biography ascribes his selection as Secretary of Agriculture in part to the urging of Henry Wallace, the editor of Wallace's Farmer,7 father of Secretary H. C. Wallace and grandfather of Secretary H. A. Wallace.

This atmosphere of an institution devoted almost exclusively to scientific studies and the diffusion of information about them remained a powerful factor in the Department's life. There is an obvious likeness in it to a university—carrying the equally obvious dangers of encouraging a narrow and specialized outlook by the personnel, of a timidity in formulating programs of action to meet concrete situations, and of becoming ingrown in membership and attitude. A certain unifying sense of corporate life was derived in part from the rural background

⁷See also Henry Wallace, *Uncle Henry's Own Story* (3 vols., 1917, 1918, 1919) for the relations between Henry Wallace, founder of this journal, and Secretary Wilson. Note especially Vol. III, pp. 48–51, 80.

and interests of so many of the civil servants and from their training in the new types of institution that had undergone a period of struggle and opposition. The older endowed educational institutions and the older colleges in the state universities tended to look down on the new colleges of agriculture. This situation was well calculated to stimulate and challenge their students, graduates, and faculties, as well as to promote a feeling of fellowship in a common enterprise. We dwell upon this point because we believe that it is an important factor in the intangibles of administration that are neglected in many current discussions of training for the public service. Finally, the activities and attitudes of the farmer organizations, with their influence upon parties and therefore on legislation and policy, served to remind officials to relate research programs to the more urgent needs of the farmer, even if his own proposals for their solution seemed ill-considered.⁸

Assumptions Basic to Agricultural Policy

Certain relatively unexamined assumptions came quite naturally to be held in the atmosphere described above—assumptions shared not only by many in the Department but also by large numbers of the American people. We have already referred to what was perhaps the most important: the belief in a political economy based upon the individual farmer's owning and working his own farm. For decades the national land policy had been based upon this ideal, regardless of the nature of the different regions and of such warnings as those of Major John Powell.⁹ The importance of this ideal, as well as its origins and influences, has been set forth by the historian Frederick Jackson Turner and a school of his disciples. Its influence persists in the Department, although it is challenged or modified by the pressure of events and the recruitment of civil servants from sources other than those already mentioned.

Quite as persistent and potent was the assumption of the absolute moral importance of such farmers in American society as a whole and, consequently, of their rightful claim upon that society for their fair share of its production, power, and prestige. We have used the term "moral importance" because this assumption, while obviously related to and reflective of economic claims, has its more intangible, yet equally important, implication that the essential nature of American society at

⁸A. F. Woods emphasizes this point in his sketch of B. T. Galloway.

⁹Report on the Lands of the Arid Region of the United States (1878), issued by the U. S. Geographical and Geological Survey of the Rocky Mountain Region.

its best derives from the rural community of free, independent, land-owning, God-fearing farmers. Frequently there is a further connotation of an ethnic and religious character: an admiration and respect for the older American stock of New England, of the "up-country" and the Piedmont of the Middle States and of the South—the stock from which came the pioneers who settled and developed the West and who brought with them schools, colleges, and churches.

This conception is reflected politically even in the most urban of our states, such as New York or Illinois, in the preservation by constitutional devices of rural political predominance despite urban superiority in numbers and in the protection of what were termed rotten boroughs in England before the Reform Act of 1832. With such conceptions the proponents of farm-interest legislation would naturally be protected from self-criticism since they would view such legislation as designed to restore the original virtues of the best of the American past. They would be equally blind to the development of a more complex rural society that increasingly took on the attributes of older ones in Europe. One cannot easily recognize the existence of a farm-labor class if its members appear to be only the traditional free American owner-occupiers in the making.

Finally, to natural scientists in training or at work in the days when the works of Darwin and later of Mendel were becoming an influence, interpretation of the new and puzzling problems of American society in terms of individual and racial differences and genetics was natural. These conceptions, however, were to be supplemented and qualified both by the introduction of new functions of government impinging upon the older fields of agricultural administration and by the rise of social studies to bear increasingly upon rural problems. Furthermore, personnel requirements reflective of these new problems were not quickly to obtain recognition.

¹⁰Since these concepts will—and do—affect political views and movements that have objectives in agricultural policy, the analysis of such aspects of opinion is as essential a part of research as is statistical analysis of prices or land values. A department that is alive to its responsibilities will, while inevitably reflecting prevailingly held concepts, also be subjecting them to appraisal in the light of basic trends in population and other

anve to its responsibilities will, while inevitably reflecting prevailingly held concepts, also be subjecting them to appraisal in the light of basic trends in population and other resources, income distribution, and similar factors.

"Joseph S. Davis, in On Agricultural Policy (1939), has a most suggestive discussion of what he terms "agricultural fundamentalism" on pp. 24–43; see also his index for other references. There is also the classic discussion of "The Independent Farmer" by Thorstein Veblen in Absentee Ownership (1923), pp. 129–41; see also his "The Country Town" which follows and completes the first. Note also the emphasis placed by Hilgard, op. cit., on the failure of emigrants to achieve a symbiotic relationship to the new lands on which they settled. The point has been emphasized for new countries generally by the English scientists G. V. Jacks and R. O. Whyte in Vanishing Lands (1939).

EXPANDING ACTIVITIES

Mention is made here only of those new activities that were destined to become factors of general administrative significance at a later time or that marked the introduction of a significant type of function. The establishment of the Weather Bureau in 1800 by a transfer of functions from the War Department may be noted because the Chief of that Bureau ranked as a presidential appointee with the Secretary, Under Secretary (an office created as late as 1934), and Assistant Secretary and because the development of aviation made the work of this Bureau a matter of great interest to the air services, both governmental and commercial. The Office of Road Inquiry, established in 1893, first concerned with methods of improving rural roads upon which the farmer was dependent for reaching his market, soon had a clientele primarily urban among the bicyclists and later among the motorists. Nutrition and home economics investigations were instituted in 1894 under the auspices of the Office of Experiment Stations. In the same decade the Divisions of Soils, Irrigation Investigations, and Biological Survey, and a section devoted to the study of foreign markets were established. In 1901 a reorganization of the Department by Secretary Wilson was given Congressional sanction in the appropriation act. By a consolidation and grouping of the many subject-matter divisions, the Bureaus of Chemistry, Forestry, Plant Industry, and Soils were established on a level with the older Bureau of Animal Industry. Within the next few years the Bureaus of Statistics, Entomology, and Biological Survey were added.12

Other activities were further developed or added to the Department during the latter half of the Wilson secretaryship. Research and investigation were continued of the type that had already been instituted and from which later operating units were to be created. An important development was made in regulatory work designed to serve both producers and consumers. The foundations of the forest policies were laid. Cooperative demonstration work, encouraged by the Bureau of Plant Industry and supported by an appropriation made by Congress in 1903, was stimulated by the problem of attacking the boll weevil in the South. One form of that attack was the encouragement of diversification of crops. Seaman Knapp, a former president of Iowa State College of Agriculture, who had been active in plant introduction (especially in the development of rice culture), was called upon to organize the new

¹²The new buildings of the Department on the Mall were begun in 1903; the two main wings were completed in 1908. See below, Appendix C at page 505.

work undertaken at demonstration farms in Texas. From this and similar work in other parts of the country there developed the cooperative extension program established in the Houston administration under the Smith-Lever Act of 1914 and subsequent legislation. The Bureau initiated investigations of farm machinery and structures in 1902.¹³

MARKETING SERVICES FOR PRODUCER AND CONSUMER

The term "regulatory," as applied to a certain type of the Department's activities, may profitably be refined. The purpose of regulation as instituted in the Bureau of Animal Industry was to protect the farmer by the eradication of diseases threatening his cattle and by the prevention of loss of markets through consumer fear of unfit products. This kind of service is performed in the first instance for the producers of a commodity; obviously, however, it can be justified in the long run only as a service to the community generally. This justification becomes clearer as the regulation moves from the more obvious types of protection of plants and animals against diseases and pests into the definition and enforcement of standards of identity and quality of consumer products, or into the safeguarding of production processes against conditions threatening the legitimate interest of the consuming public—its need for nourishing food, for example.

Our economic system has become such that the individual consumer can rarely apply successfully the old maxim, "Let the buyer beware." He has not the time, if he be a city dweller, to trace the source of his daily milk supply to determine whether it comes from cows free of disease and is distributed under sanitary conditions. He cannot go behind the package in which he purchases many of his foods. He must depend upon the integrity and technical competence of agents. All these considerations are obvious yet too frequently forgotten. We rant against the increase in government regulation, when we might more properly blame rail—and later motor truck—transportation, the joint stock corporation, the scientist who discovers bacteria, the growth of commercial farming, and changes from rural to urban employments and life generally. 14

¹³They were eventually to be joined with the work in drainage and irrigation initiated in the Office of Experiment Stations and in the Office of Public Roads and Rural Engineering in 1915 and set off in a separate Bureau of Agricultural Engineering in 1931. In 1939 this Bureau became a part of the Bureau of Agricultural Chemistry and Engineering.

¹⁴ Some chiefs of bureaus whose primary function is that of scientific research like to have a regulatory function assigned to the bureau, for they believe that it is easier to get legislative support for research if it can be shown to be necessary for enforcement of a

Edward Wiest remarks about the development of regulation by the Department:¹⁵

These regulatory functions touch the welfare and conduct of virtually every citizen. Much of the regulation is based upon scientific discoveries previously made, and it may be said that while science made in many cases possible the establishment of regulatory functions, they in turn brought prestige to the department and an enlargement of activities in general. Thus the addition of the regulatory function has been very largely responsible for the marvelous expansion of the Department of Agriculture during the past two decades. . . .

This rapid expansion was only a phase of what was in progress in other fields of Federal activity. With the coming of the railroads in 1830 and the development of national markets, many regulatory functions were thrust upon the Federal Government because local governments were wholly inadequate to cope with the new situation. In 1887, for example, we created the Interstate Commerce Commission.

The distinction between service to the producer and to the consumer is not clear-cut, however, and frequently cannot be discerned. The regulation of the producer, against which some producers may protest, may actually contribute to the stability of his markets and may even be conducive to their widening or creation. Producers of a commodity may themselves ask for the enforcement of standards as protection from the coercion caused by the competition of a few who, by lowering standards, may bring the entire trade into disrepute with the consuming public.

To these remarks, introductory to a discussion of new regulatory functions added to the Department, one other observation may be added. The Department's research and informational functions were increasingly channeled to the individual through the agricultural experiment stations in each state; with the establishment of the cooperative extension services in each state they were to be channeled through that institution as well. The new regulatory functions, however, and the proprietorship of the national forests, as well as conservation of natural resources in wildlife, would find their counterparts in the states in various departments of the state government other than the colleges of agriculture, experiment stations, and extension services. Hence there resulted a problem of coordination not only between the levels of national and state government but also among several separate units of

regulatory statute. Regulatory legislation increasingly requires scientific research for adequate enforcement; for example, the revised food, drug, and cosmetic legislation calls for continuous research in basic sciences in order to define standards of identity and quality and to determine the possible effects of the use of various articles.

15 Agricultural Organization in the United States (1923), pp. 32, 35.

state government. To this problem is perhaps due in part the failure to achieve a comprehensive and unified view of that series of processes whereby raw materials are ultimately conveyed to the consumer, which we may term "marketing." So great are the anarchy and the uncertainty in this field, both among departments of the national government, each concerned with some part of the field, and among departments of the state government that we are confronted with a network of state regulations that challenges the implications, at least, of the commerce clause of the national Constitution, which we had thought provided us with a constitutional guarantee of a free internal market. ¹⁶

Shipment of Commodities Regulated

We have noted that the first important regulatory function of the Department was allocated to it with the establishment of the Bureau of Animal Industry in 1884. Earlier, under the act of March 3, 1873, Congress sought to regulate the shipment of cattle in the interest of more humane treatment in transit. For many years this law was largely ignored by the railroads. Although it was occasionally called to their attention in circulars, the Department was too inadequately staffed to enforce the measure. Under an act of 1890, supplemented in 1891, the Bureau of Animal Industry was authorized to inspect meats and "live cattle, hogs, and the carcasses and products thereof which are the subjects of interstate commerce." For some time the Bureau lacked the personnel and other resources necessary for proper enforcement; nor was the legislation sufficiently comprehensive.

By 1906 a substantial body of legislation and administrative practice had been developed affecting the movement of commodities from the producer to the consumer. Furthermore, it was beneficial to the interests regulated. President Harrison, in his message to Congress of December, 1891, asserted that "The inspection by this Department of cattle and pork products intended for shipment abroad has been the basis of the success which has attended our efforts to secure the removal of the restrictions maintained by European governments." Similar legislation to facilitate production as well as marketing conferred regulatory powers on the Department regarding insecticides, the importation of seeds, and the imposition of plant quarantines.

¹⁶ See, for example, Barriers to Internal Trade in Farm Products, special report to the Secretary of Agriculture by the Bureau of Agricultural Economics, 1939. The problem had been explored and stated by Frederick E. Melder in State and Social Barriers to Interstate Commerce in the United States; A Study in Economic Sectionalism (1937), based on his doctoral thesis of 1936 at the University of Wisconsin.

Inspection and Grading of Agricultural Products

Meat inspection legislation, originating in 1890 and extended in 1906, marked the entry of the national government more definitely into the field of safeguarding the consumer public. Wide popular interest was aroused in the extension of this principle by the Food and Drugs Act of June 30, 1906.¹⁷ The initiative in this legislation had been taken by Harvey Wiley, Chief of the Bureau of Chemistry. After his early years of scientific studies here and in Germany and his professorship of chemistry at Purdue University, he had served as State Chemist of Indiana and had entered the Department as Chief Chemist in 1883. Through his studies abroad, as well as through his researches in the Department, he was acquainted with the problem of food adulteration and became a leader in the campaign for public protection.¹⁸

The administration of the new Act was placed in the Bureau of Chemistry. Mr. Wanlass suggests that this work, like that of meat inspection, was so allocated because the Department of Agriculture "by reason of its facilities, was better prepared for the task than any other." It is obvious that the interest of the public in the administration of these functions may, and has, come into conflict with that of particular groups of producers and distributors. Conflict over regulation of spray residue on fruit illustrates the point. It does not necessarily follow, of course, that the assignment of these activities to the Department is inappropriate if the term "agriculture" is to be interpreted comprehensively to include consumer factors of importance to agriculture; the test is to be found in the implementing of such a conception throughout all the relevant activities of the Department.¹⁹

An important feature of the administration of these functions was the appointment of consultative committees of eminent scientists acquainted with the subject matter to pass upon proposed rules and regulations in cooperation with representatives of the Department. Thus, the

is stressed. See also Harvey Wiley, An Autobiography (1930).'

18 Wiley, An Autobiography, p. 321. Mr. Wiley was a founder of the Association of Official Agricultural Chemists, one of the many professional societies among public servants that have many members in the Department and that play an important role in the maintenance of professional standards and morale.

¹⁹ See below, pp. 275–93.

¹⁷An excellent brief summary of the development noted here is in an article by L. M. Tolman, "The History and Development of Food Inspection in the United States," *Journal of the Association of Official Agricultural Chemists*, February, 1939, pp. 27–36. Mr. Tolman was formerly a member of the staff of the Bureau of Chemistry. He notes that the first legislation in the field of consumer protection was based upon the taxing power and was enforced by the Bureau of Internal Revenue. The importance of the work of the Association of Official Agricultural Chemists in the development of standards is stressed. See also Harvey Wiley, *An Autobiography* (1930)."

rules governing meat inspection were prepared in consultation with a committee whose chairman was Dr. William Welch of the Johns Hopkins University, while the chairman of the Food and Drug Referee Board was President Remsen of the same institution. The administration of the Tea Adulteration Act, passed in 1897, was given to the Bureau of Chemistry, although that of the Renovated Butter Inspection Act, passed in 1902 and also affecting a food product, was left with the Bureau of Animal Industry.²⁰

Grading Commodities Dealt with on Exchanges

Another type of regulatory service initiated in this period affected the grading of commodities dealt with on exchanges and in commerce generally. This began with the Grain Standards Act of 1901; in 1908 the Cotton Standards Act was passed. These Acts and subsequent laws of this type were designed primarily "to enable the farmer, after having produced his commodities, to market them with the knowledge of their probable value by making available to the farmer information concerning the comparative quality of his products . . ." or "to maintain a foreign market for these products."21 Such acts provided for terminal inspections, standard containers and hampers, tobacco inspection, and the grading of naval stores and of apples, pears, and dairy products for export. Most of this legislation, however, was enacted after the period under immediate discussion and as a part of the new marketing program of the Department in the Houston and later secretaryships. These regulatory activities, in keeping with a kind of law in administrative history to which we have had occasion to refer, led inevitably to measures designed to regulate the actual conduct of marketing practices on commodity exchanges, the warehousing of commodities, and the issuance of warehouse receipts as a basis for credit.

²¹Mastin G. White, "The Objectives of the Regulatory Work of the Department," Department of Agriculture Objectives (mimeo.), Graduate School, Department of Agri-

culture (1936).

²⁰Regulatory work is obviously a highly controversial topic. On the origins and development of the Food and Drugs Act see, for example, the observations of Mr. Wiley in An Autobiography and also in The History of a Crime Against the Food Law (1929), in which he views the establishment of the Board of Food and Drug Inspection by Secretary Wilson as a means of removing the enforcement of the Act, in part, from himself in order to make possible a different interpretation of the discretionary powers of the Act. Intervention by the Secretary, the Solicitor, and by Presidents Theodore Roosevelt and Taft are cited, as well as conflicts with the "Remsen Board" of consulting experts. The effect of regulatory work on the size of an agency is illustrated by Mr. Wiley's statement, An Autobiography, p. 293, that there were six employees when he took office in 1883 and more than six hundred, scattered throughout the United States, upon his retirement in 1912.

CONSERVATION SERVICES

The extension of producer and consumer protection through the Department was accompanied by new activities in the field of conservation of natural resources, of greatest importance to future administration. The pioneer work of Franklin Hough, B. E. Fernow, and Gifford T. Pinchot in units successively entitled Forestry Investigations (1876), the Forestry Division (1880), and the Bureau of Forestry (1901) had laid the foundations for research and field studies, as well as for the training of a nucleus of personnel in forestry, which in 1905 was given the title of the Forest Service.²²

Formulation of a National Conservation Policy

Utilizing the Forest Reserve Act of 1891, President Theodore Roose-velt transferred from the Department of the Interior to this Service the custody and administration of the national forests. This action brought to the Department functions and responsibilities of far-reaching scope. Thus was created the problem of the future integration of land-use policies affecting the various parts of the public domain that were administered by different departments of the national government. The Forest Service, for example, had extensive responsibilities over grazing on the range within the national forests, the use of which the rancher would have to supplement by grazing at another season on public lands administered by the Land Office of the Department of the Interior or even lands held by a state. Of more immediate importance to the De-

²²The classic text of the period is Charles R. Van Hise, The Conservation of Natural Resources in the United States (1910). The author was President of the University of Wisconsin and prominent in the conservation movement. For a useful account of the evolution of natural resources conservation programs in the states see Clifford J. Hynning, State Conservation of Resources (1939); for a brief popular account both of national and of state conservation policies see Ovid Butler, American Conservation (1935), published by the American Forestry Association. This Association, founded in 1875, views itself as the pioneer civic organization in the stimulation and organization of public support for conservation policies and points to the influence of its American Forest Congress of 1905 in bringing about the passage of the act of February 1, 1905, transferring the forest reserves to the jurisdiction of the Department of Agriculture. Mr. Pinchot succeeded Mr. Fernow as head of the Division in 1908; thus, as Mr. Fernow was a Germantrained forester, the American development drew on both French and German forest science. Under Mr. Pinchot within seven years the Service expanded from eleven to over eight hundred men, many from the new forestry schools at Biltmore, Cornell, and Yale probably the largest group of natural scientists recruited for the Department from other than land-grant institutions. Later valuable accounts of the development of forestry activities include Herbert A. Smith, "The Early Forestry Movement in the United States," Agricultural History, October, 1938, p. 326, and Jenks Cameron, The Development of Governmental Forest Control in the United States (1928). It is interesting that Mr. Smith notes the importance of the ideas of George P. Marsh, to whose work Lewis Mumford and other regionalists turn as a pioneer influence, and also of the report of Carl Schurz as Secretary of the Interior in 1877.

partment was the task of formulating policies for its new charge, including the provision of necessary physical equipment in roads, trails, fire stations, telephone lines, cabins for rangers, and an administrative organization designed to undertake the proprietary functions incident to the management of vast forest lands located in remote areas throughout the West. Conservation, under the leadership of President Roosevelt and the initiative of Chief Forester Pinchot, rapidly became a major political question. The President called a Conference of Governors at the White House in 1908 to discuss the matter and appointed a National Conservation Commission; powerful opposition developed in Congress, which sought to arrest his program of reserving public lands for national forests.23

In the political struggle that developed over forest policies—a struggle that had its part in the personal and factional aspects of the controversy between President Taft and ex-President Roosevelt and the dismissal of Chief Forester Pinchot from his post—dramatic and emotional aspects left their mark on attitudes toward the administration of natural resources. The conception of conservation as a policy of locking up already existing resources, especially the forests, stamped itself strongly on the public mind. In later years the shift to an emphasis on wise use, on fundamentals of management, as at least complementary to reservation against the day of a resources famine, was undoubtedly not easily or quickly accepted.²⁴ Again, the conception of the Forest Service in the Department of Agriculture as the defender of the public interest and resources against unscrupulous looters infesting the Department of the Interior became a stereotype widely held by the public—a view in which citizens were strengthened by the record of Secretary of the Interior Fall and which Mr. Pinchot's continued association with the

²³ Note, for example, the act of March 4, 1907, prohibiting their establishment without congressional approval in certain western states. See, on the events mentioned above, Proceedings of a Conference of Governors in the White House, Washington, D. C., May 13-15, 1908 (1909), Report of the National Conservation Commission, Sen. Doc. No. 676,

⁶⁰th Cong., 2nd sess., 1909.

24 A prophetic early discussion of the larger land-use aspects of the movement for forest conservation will be found in Forest Circular 159, issued on January 22, 1909, The Future Use of Land in the United States, whose author, Raphael Zon, was at that time Chief of the Division of Silvics of the Forest Service and was in 1939 Director of the Lake States Forest Experiment Station of the Forest Service at St. Paul, Minnesota. Mr. Zon analyzed in this circular future forest needs and resources in the light of the probable population of the United States and shifted the emphasis from the conservation of the then forest lands to the utilization of all lands of the United States for the purposes to which they may best be suited after scientific analysis: "A thorough survey of the lands in the United States with the view of determining the best use to which the various classes could be put would go a long way toward bringing about the most productive use of our greatest resource-the land.

interests of forestry naturally personalized. Here again, the increasing need with the years for a unified attack upon problems of land policy finds us with the heritage of functions and powers distributed among several agencies, with the two most important affected by a tradition of enmity and distrust.

The Weeks Act, passed in 1911, marked a further important step in forest policy, since it authorized the actual purchase of lands by a National Forest Reservation Commission, on which members of both houses of Congress sat with the Secretaries of War, Interior, and Agriculture, for the purpose of protecting the watersheds of navigable streams. The significance of this objective lies, of course, in the possibility of using powers justified under a liberal interpretation of the commerce and spending clauses of the Constitution as a means of expanding the policies and functions of national departments. Critics of the Department hold that it has thus been led to overemphasize the part played by forest and grass cover in retarding runoff and preventing floods in order to obtain a larger share in water resources programs and to expand its Soil Conservation and Forest Services. The earlier forest reserves had been created from the public domain and hence were scattered in the West; under the Weeks Act, however, purchases began that instituted the development of national forests in the East and South. A national land-use program could be attempted. Equally of interest, however, was the increased need, in the light of the above-recorded critical attitude, for the development of processes and agencies through which a coordinated natural resources program inclusive of all national agencies might currently be formulated and directed.

Local Impact of the National Program

The need for such coordination lay not alone in the requirements of a properly balanced national program but even more in the ultimate local impact of these activities: they affected profoundly the house-keeping by local governments and states, with which constitutional power and responsibility for so many functions affecting land use resided or were shared. Any planning of land use affecting watersheds and oriented at least in part toward water resources involved questions of multiple use, ²⁵ including water power, supplies of potable water, navigation, stream pollution, fish and waterfowl preservation, flood

²⁵ See Report to the Congress on the Unified Development of the Tennessee River System, submitted by the Board of Directors of the Tennessee Valley Authority, March, 1936.

prevention, irrigation of dry lands and drainage of wet, location of human settlement, and land cover. These questions were becoming increasingly acute with scientific invention and population changes; that is, techniques of transmission, as well as industrial development, affected the development of water power, and city growth affected stream pollution and the pressure for recreational facilities to balance the limitations of urban life. The responsibility of the national government for these matters was distributed among many agencies, notably the Army Corps of Engineers, the Bureau of Reclamation, the Land Office, and Geological Survey of the Department of the Interior, and the Forest Service, the Biological Survey, the Weather Bureau, and various research units of the Department of Agriculture. Later the Federal Power Commission was to be created.

For any one of these agencies to embark on a program relating to land use in a community without the most careful integration of its research, information, and program of priorities with those of the other agencies having responsibilities for land-use programs would be to invite expensive and trouble-making distortion of the local ecological pattern. The resulting stimulation of a local opinion contemptuous of any action by government might have costly consequences at a later time of critical need for collective action. Quite as important, however, would be the need for a careful dovetailing of national programs, within the national powers and resources, with municipal, county, and state programs to avoid the development of policy through pork-barrel methods, on the one hand, and the neglect of a sound natural resources policy that would facilitate local prosperity, on the other.

All these questions were implicit, but as yet undiscerned, in the launching of a positive national forest policy based both upon the idea of conserving remaining timber resources on the public domain and upon the acquisition of lands for public forests contributing presumably to the protection of the watersheds of navigable streams.²⁶ The requirement of the consent of the state in which land proposed for purchase for national forests was located reflected the interweaving of questions of local and state taxation, tax delinquency, location of population, with the resulting requirements for roads, schools, and other public services. Thus was created the need to supplement, but not to supplant, the

²⁶ Amendments to the Weeks Act passed in 1924 required the survey of lands proposed for purchase under the Act by the Secretary of Agriculture "in cooperation with the Director of the Geological Survey," a provision recognizing the interrelationship urged above.

policies of one level of government with those of another. Finally, under the principle of the matched grant-in-aid, the Weeks Act authorized the cooperation of the Secretary of Agriculture with the states in protecting forests on the watersheds of navigable streams from fire; thus the relationship of the Forest Service to state departments of forestry (under whatever title) was made as important as that between the Department generally and the state experiment stations under the Hatch Act or between the various regulatory units of the Department and state marketing agencies.

Wildlife Program and Intergovernmental Administration

The Department's wildlife program had its origin in the research work undertaken by a Division of Economic Ornithology and Mammalogy established in 1886, which in turn grew out of a Section of Ornithology in the Division of Entomology established in the previous year. In 1896 the successor to these units, the Division of Biological Survey, comprising both economic and biological researches in ornithology, was created; it became a Bureau in 1905. Meanwhile, in 1900 the Lacey Act brought the Department into the field of game conservation. The Act, to be enforced by the Bureau of Biological Survey, forbade the shipment in interstate commerce of wild animals or birds taken in violation of state laws—an interesting example of national-state cooperation making state legislation effective.²⁷

Implicit in this beginning of a national wildlife conservation program, as in the launching of positive forest conservation, were important administrative problems. Jurisdictional boundaries and the distribution of constitutional powers within the United States, as well as the relations of sovereign states in a world system, were in conflict with the flights of birds. The relation between wildlife conservation and land-water resources programs would again compel integration based upon regional ecologies. Devices such as the treaty power, the interstate commerce power, and the sharing of funds would have to be used in any effective wildlife administration.

²⁷The Bureau of Biological Survey was transferred to the Interior Department on July 1, 1939, under Reorganization Order No. 2 issued by President Roosevelt.

CHAPTER 3

POLICY AND EFFORTS AT INTEGRATION:

1913-29

E HAVE THUS FAR stressed the development, in the sixteen years during which James Wilson was Secretary of Agriculture, of the Department's older functions and the institution of new ones—both destined to create future questions of general departmental, interdepartmental, and, indeed, federal administration. Ideas developed out of the minutiae of laboratory or field plot, and problems arising in the trusteeship of widely scattered forest reservations were to contribute eventually to the movement for a more careful planning of coordinated programs. An emphasis on expansion and promotion, on the relatively unquestioned continuance of what had gone before in American agriculture, was beginning to be questioned more and more in the light of the changes in American conditions noted by Turner and others before the close of the nineteenth century. In the land-grant colleges and other educational institutions new studies were being undertaken in which new questions were being asked; and these studies, the embryo social sciences, were beginning to find some place and to exert some influence. The same influences were at work among civic groups and organizations and politics—as we have seen in our discussion of the conservation movement. President Theodore Roosevelt, during his latter years in office, appointed a Country Life Commission whose expenses were defrayed in part by the Russell Sage Foundation. We were groping toward a richer and wider conception of agriculture as this sector of our economy became subject to the questioning that characterized American society generally and that was reflected politically in LaFollette's "Progressivism," Theodore Roosevelt's "New Nationalism," and Woodrow Wilson's "New Freedom." The prophecies of Turner were finding political realization.

¹See Sir Horace Plunkett, The Rural Life Problem of the United States (1910). The members of the Commission were: L. H. Bailey, Chairman, Henry Wallace, Kenyon Butterfield, Walter H. Page, Gifford Pinchot, C. S. Barrett, and W. A. Beard. The leading ideas of the movement are available in two books by Bailey, The State and the Farmer (1908) and The Country Life Movement in the United States (1911); Butterfield's Chapters in Rural Progress (1908); and Plunkett, op. cit. In Uncle Henry's Own Story, op. cit., Vol. III, pp. 100-4, is an account of the Commission.

THE NEW FREEDOM

The increased state intervention in economic life that naturally resulted from political changes of the period was reflected in legislation creating the Federal Reserve System and the Farm Loan System² and within the Department, in the addition of new functions relating to the marketing of agricultural products. These functions were assigned to a new Office of Markets. The Grain and Cotton Standards Acts (1913), the Cotton Futures Act (1914), the Terminal Inspections Act (1915), the Warehouse Act (1916), and the Standard Container Act (1917)—all were aimed to facilitate the establishment of more exact standards, the financing of commodities, the supplying of impartial information concerning the quality of commodities marketed, and in general the processes incident to moving commodities from the producer to the ultimate seller. The Federal Aid Road Act (1916) reflected the revolutionary changes in transportation that the automobile was introducing—changes whose influences on marketing we are only beginning to appraise. Its administration was given to the Secretary of Agriculture and exercised by him through the bureau that had evolved from the Office of Public Roads. This agency was destined to exercise major responsibility in administering funds first for major trunk highways and later for secondary farm-to-market roads; it was to function under conditions that would establish important standards in state and even in local highway administration and raise far-reaching problems of planning about land-use and population factors.3

Two measures adopted during the presidency of Woodrow Wilson that brought the Departments of Agriculture and the Interior into functional relationship were the Smith-Hughes Act, passed in 1917, and the act establishing the National Park Service in the Interior Department. The Park Service has become increasingly significant not only because of the pioneering work of high quality marking the program and its administration but also because of the increased attention to recreation in the United States and because of the present and potential importance of recreational land use in many areas. In northern New England and New York, the southern Appalachians, the Lake States Cutover Area, even in the Great Plains and the arid lands, recreational use has come to be an important part of any effective land-use program, and in some

²The functions of the Farm Loan Board eventually were allocated to the Farm Credit Administration, which in 1939 was placed under the Secretary of Agriculture. See below, pp. 254 ff.

³See below, p. 148.

of the regions mentioned it has become the major income-producing activity. The idea of an optimum multiple use of the public lands is that by proper administration a national forest or a national park may serve at once as a recreational area, a water-protection area, a grazing area, a wildlife reservation, and a source of lumber. The realization of this idea has resulted in a mingling of forest, grazing, recreational, and other programs with officials to plan and administer them both in the national parks and in the national forests. Here was at once an opportunity for cooperation, a stimulus to new ideas, and also an invitation to some institutional jealousy.

The Smith-Hughes Act, providing for a grant-in-aid system for encouraging state and local programs of vocational education, was in 1939, like the Morrill Acts, administered by the Office of Education. Work both in agriculture and in home economics was encouraged, and programs developed through the public educational systems included both formal instruction for youth and adults and club work with boys and girls; hence the possibilities of duplication of work by the Extension Service and the vocational educational systems, and for friction as well, were obvious.

These larger questions were not yet to the front within the Department while James Wilson was Secretary, although the germs were there.4 Questions of land use, of marketing, of the regulation of trades and exchanges, of the adjustment of our policies in these matters and in agriculture generally to changing national and world conditions, as well as questions of rural life in a rapidly urbanizing society—all were already implicit in the many activities which, coral-like in their growth, had accumulated in the Department. It had thought of itself—and had been thought of—as essentially a collection of research workers with attachés for informational and publication services. Lacking some central dominating policies as yet, the Department had no apparent need for central general-staff services to aid the Secretary in program preparation and coordination. A few auxiliary agencies had been created, as we have noted—a Library, a Division of Accounts and Disbursements, a Division of Publications, a Bureau of Statistics—and in 1905 a Solicitor was added, whose role anticipated that of the general staff.

⁴James C. Malin, in "The Background of the First Bills to Establish a Bureau of Markets, 1911–12," Agricultural History, July, 1932, pp. 107–29, concludes that the Department, and the land-grant colleges and experiment stations, had exercised no leadership in the movement to study marketing problems and that action was initiated by farm organizations such as the Farmers' Union.

THE HOUSTON SECRETARYSHIP

It was natural that when David F. Houston became Secretary in 1913, after the sixteen-year reign of his predecessor, he should reappraise the objectives and organization of the Department in the light of changes taking place in American life—scientific as well as institutional. He remarks in his memoirs: ⁵

I had been more or less in touch with the Department of Agriculture for a number of years, and had been dealing with the problems which it had to consider. I knew that its main function was to promote more efficient production, to improve the processes of marketing, to create better credit facilities for the farmer, to make rural life more profitable and attractive, and to make more of the benefits of modern science accrue to the rural population. In that way only could we be sure of retaining in the rural districts a sufficient number of contented, efficient, and reasonably prosperous people. I was aware, too, that the farmers' more acute problems were in the field of economics, and in this field I was particularly interested. It was one which the economists, as a rule, had neglected. . . . I had said that the Department was the one great developmental agency of the government, and that it would interest me.

The first report of the new Secretary forecast clearly the line of attack that would be followed; his request that Congress permit him to propose a reorganization of the Department met with an authorization in the appropriation acts for the submission of a plan.⁶

We have unmistakably reached the period where we must think and plan. We are suffering the penalty of too great ease of living and of making a living. It is not singular that we should find ourselves in our present plight. Recklessness and waste have been incident to our breathless conquest of a nation, and we have had our minds too exclusively directed to the establishment of industrial supremacy in the keen race for competition with foreign nations. We have been so bent on building up great industrial centers by every natural and artificial device that we have had little thought for the very foundations of our industrial existence.

In dealing with the problems of production, the department has directed its attention mainly to the problem of the individual farmer, and

⁵David F. Houston and Helen Basil, Eight Years with Wilson's Cabinet (New York: Doubleday, Doran and Company, 1926), Vol. I, pp. 15–16. Secretary Houston had received a master's degree in government at Harvard and taught at the University of Texas. He later became president of the land-grant college of that state, from which post he went to the chancellorship of Washington University, St. Louis, and thence to the Cabinet.

went to the chancellorship of Washington University, St. Louis, and thence to the Cabinet.

*Report of the Secretary of Agriculture, 1913, p. 19. The Report for 1914 is of great interest also for its reiteration of the need for reappraising the place of agriculture in national life, references to the Office of Farm Management, government assistance to agriculture, and the reorganization of the Department. See pp. 5–6, 16–17, 26, and 44–47.

the broader economic problems of rural life have received relatively little attention. It is now becoming clear that we must definitely and aggressively approach these newer and, relatively speaking, urgent problems. We have been suddenly brought face to face with the fact that in many directions further production waits on better distribution and that the field of distribution presents problems which raise in very grave ways the simple issue of justice. That under existing conditions in many instances the farmer does not get what he should for his product; that the consumer is required to pay an unfair price; and that unnecessary burdens are imposed under the existing systems of distribution, there can be no question.

Just what part of the burden is due to lack of systematic planning, or inefficiency and economic waste, or to unfair manipulation, one can not say. As difficult as are the problems of production, they are relatively simple as compared with those of distribution, and there is danger not so much that nothing will be done, but that pressure will be brought to bear on the department to take action everywhere before it is prepared to act intelligently anywhere. The department has given assistance here and there in the past; it is prepared to give further assistance and information now, and it has shaped its projects and instituted more systematic investigations, which should have results of great practical value to individuals and to communities.

Secretary Houston's striking comment that the nation must "think and plan" was a note reflective of the new political climate which had accompanied the doctrines of the "New Freedom." The steps taken to implement the new political program were shortly to be complicated by the World War and subsequently by the postwar world-wide conditions which continued to affect American economy generally and agriculture in particular. More immediately, the objectives stated by the Secretary would require of the Department a much more positive role in the appraisal of problems and in the formulation of policies and instruments through which legislation based upon them might be administered. In policy formulation a new factor became of increasing importance: the development of studies of the economic and social aspects of agriculture.

The application of these new studies, and the more effective application of the knowledge of the older sciences, would require a development of informational services. Herein lay, in part, the significance of the Department's new Office of Information, of the new Cooperative Extension Service in agriculture and home economics, and of the Office of Markets. The initiation of these new agencies coincided with the coming of the World War; hence, it is difficult to disentangle those aspects of the evolu-

⁷Summarized in Henry A. Wallace, America Must Choose (1934).

tion of the Department in this period that reflected forces long developing in American life from the more immediate influences of the war. We believe, however, that all these factors were operating to make necessary the changes in organization that took place from 1914 to 1925, for example, and that were required to equip the Department for research, for the formulation of national agricultural policies, and for the more effective management of its increasingly complex problems of organization, budgeting, personnel, and operations generally. Looking back, as we do, on these developments, we doubtless read into them too much our own concern to detect administrative reflection of changes in political economy; yet we believe that current administrative problems and developments can be better understood if we search for their origins.

Social Aspects of Agriculture

The study of agricultural economics⁸ has its origins in various currents of study: in agronomy, in the search for the best plans of farm management "within the fences" of the farm, leading naturally to the development of such tools as better methods of farm accounting; in marketing farm products, leading to and including price studies and the influences of exchanges; in economic history centering on land tenure and settlement; and in rural sociology.

Among the pioneers in farm-management studies early in the twentieth century were, for example, Andrew Boss at Minnesota and George F. Warren at the New York State College of Agriculture at Cornell. In the Bureau of Plant Industry farm-management investigations were instituted in 1902 under W. J. Spillman, trained in the natural sciences.

⁸We are greatly indebted to Henry C. Taylor, first Chief of the Bureau of Agricultural Economics and in 1939 Director of the Farm Foundation, for extending to Mr. Gaus the privilege of studying the ms. of his memoirs and discussing with him the development of agricultural economics and the early history of the Bureau. The interpretation presented here is, of course, one for which we are wholly responsible and draws upon our interviews with persons associated with the developments recorded.

We have been told by "old timers" in the Department, who were there in the pre-Houston days, that the term "economist" was in bad repute, as it connoted either a freetrader or a socialist. Richard T. Ely records in his memoirs, Ground Under Our Feet (New York: Macmillan Company, 1938), p. 124, the disparaging view of economics taken forty years ago: "My father said to me, not long before 1885, something like this: Richard, you are a young man. Some day you will want to get married and have a family. How can you expect that economics will support you? It was well along toward the middle of the nineties when Henry C. Taylor received the same admonition from Secretary of Agriculture Wilson. Secretary Wilson advised him, "Take up a practical subject like plant pathology and I will give you a job."

"Most of the early agricultural economists and some of the rural sociologists had re-

⁹Most of the early agricultural economists and some of the rural sociologists had received their first training in natural science and were horticulturists, agronomists, entomologists, and pomologists. Messrs. Galpin, Nourse, and Nils Olsen, however, entered upon their special fields after liberal arts training. Note the editorial in *Wallace's Farmer*,

H. C. Taylor was brought to the University of Wisconsin by Richard T. Ely, whose interest in land economics was of long standing, and in 1902 began to lecture on the subject of "agricultural economics," drawing upon physical, biological, and economic-sociological materials for his subject matter. The influences of Messrs. Ely, the historian Turner, and the geologist Van Hise were contributory to the shaping of Mr. Taylor's ideas of the subject; the first edition of his textbook on agricultural economics appeared in 1905. In 1908 O. C. Stine and O. E. Baker, who had studied with him, joined the staff of W. J. Spillman; all these men had a part in developing the program of what became eventually the Bureau of Agricultural Economics. In the first two decades of the twentieth century there was much discussion and uncertainty about the proper content and range of methods of agricultural economics; but the shift from a more self-sufficing farm economy to one that was brought within the full play of influences of a world price system led to a wider conception and to increasing interest in the field.

Studies in rural sociology had developed slowly at a few universities in the first decade of the century. Charles Horton Cooley records:¹⁰

In the fall of 1901 Kenyon L. Butterfield came to the University [of Michigan] for graduate work. He was already an ardent student of country life, and one year later, by the aid of Professor [H. C.] Adams, who immediately recognized his personal promise and the importance of his subject, he was appointed Lecturer on Rural Sociology. So far as I know (or Mr. Butterfield, now [1928] President of Michigan State College), this was the first use of that term. I do not remember who suggested it, probably Butterfield himself. He left at the end of the year and the course was not revived until some ten years later.

Charles J. Galpin ¹¹ notes the paucity of teaching materials in his field when he began to teach rural sociology, at the suggestion of H. C. Taylor, at the University of Wisconsin in 1911–12. Among those with whom Secretary Houston consulted about the formulation of new policies for the Department was his old friend, Thomas Nixon Carver, professor in the Department of Economics at Harvard University. ¹² Studies of rural com-

and the discussion of this paper, pp. 98-137.

10 "The Development of Sociology at Michigan," Sociological Theory and Social Research (1930), p. 11.

"My Drift into Rural Sociology—Memoirs of Charles Josiah Galpin (1938).

12Mr. Carver was the author of one of the earliest texts on the social aspects of agriculture: Principles of Rural Economics (1911).

November 6, 1926, "Farm Management vs. Agricultural Economics." See also *Journal of Farm Economics*, November, 1939, for articles on the development of the statistical work of the Department; see also Henry C. Taylor, "Early History of Agricultural Economics in the United States," *Journal of Farm Economics*, February, 1940, pp. 84–97, and the discussion of this paper, pp. 98–137.

munity life had been initiated by Mr. Carver with the financial support of the General Education Board of New York, which had assisted in the pioneer agricultural extension programs undertaken in the southern states. Through his advice work in rural community studies was initiated in the Department; he served as "Director of the Rural Organization Service" in 1913-14 and remained as "Adviser in Agricultural Economics" during the following fiscal year. The new emphasis that Secretary Houston conveyed to the work of the Department was reflected in the establishment of the Office of Markets and Rural Organization, which became, in 1917, the Bureau of Markets. 13 The studies that were begun by Mr. Carver (and which were reflected in the bulletin entitled "The Organization of a Rural Community") were continued by Carl W. Thompson. On July 1, 1919, work in this field was transferred to a Division of Farm Life Studies in the Office of Farm Management. Mr. Galpin was brought from the University of Wisconsin to take charge of this Division, and Mr. Thompson became Chief of the Division of Cooperative Marketing. In 1921 the Division became, with the Office of Farm Management, part of the new B.A.E.14

The attachment of the Office of Farm Management directly to the Office of the Secretary was significant, as Secretary Houston recognized when he remarked in his report for 1914:15

Farm management conceives the farm as a whole. Its problem is not primarily a Plant Industry problem. It is rather a business or economic problem. It is not one for which the agronomist has necessarily the

¹⁸The importance of the establishment of the Office of Markets and Rural Organiza-"Meeting the Farmer Halfway," Yearbook of the Department of Agriculture, Carl Vrooman, in an article, "Meeting the Farmer Halfway," Yearbook of the Department of Agriculture, 1916, pp. 70-71: "The creation of this office was an innovation of epoch-making significance. Ever since the department was started the farmers of the country have been requesting the Government to help them solve their economic problems, have been urging the utter hopelessness of the attempt to build a successful agriculture upon the doctrine of increased production, without regard to the equally important problems of marketing and distribution. But owing to the mietaken theory that everywhell is interested in its and distribution. But owing to the mistaken theory that everybody is interested in increasing agricultural production, while nobody but the farmer is interested in making that production profitable, until recently no important attempt was made by Congress, by the agricultural colleges, or by the Federal Department of Agriculture to help the farmer solve his financial and economic problems."

In the reorganization of the Department in 1938 the marketing services were separated from the B.A.E. to become, as the Agricultural Marketing Service, a part of a group of activities supervised by the Director of Marketing and Regulatory Work. The B.A.E. thus became a general-staff agency, freed from operating responsibilities.

14 On these developments see Dwight Sanderson, "The Beginnings of Rural Sociology in the United States Department of Agriculture," Rural Sociology, June, 1939, p. 219; "The Work of the Division of Farm Population and Rural Life of the Bureau of Agricultural Economics of the U. S. Department of Agriculture," ibid., p. 221. Mr. Sanderson points out that the American Country Life Association was founded in 1918.

15 Report of the Secretary of Agriculture, 1914, pp. 61-62.

requisite training, although the service of the agronomist as well as the services of experts of other bureaus are invoked. Since its function is that of studying the farm from the business point of view in all its aspects, it seemed advisable to relate the office to that of the Secretary, so that the officers might feel conscious of no bureau limitations. Similar considerations led to the conclusion that the farm-demonstration work should not be attached to a particular bureau. Heretofore, the agents in this work, attached as they have been to the Bureau of Plant Industry, have experienced some embarrassment in demonstrating things coming within the work of other bureaus. Obviously the farm demonstrator must be prepared to demonstrate anything the department has of value to the farmer. He can not conceive of the farm partially. . . . The direct-farm demonstration work is similar to the work which will be carried on under the extension act, and, as has been stated, arrangements have been made for coordinating it with the work under the extension act.

The Extension Service

The Extension Act, or Smith-Lever Act, had just been passed (May 8, 1914) when the report, quoted above, was drafted. It applied the increasingly used grant-in-aid principle to extension work in agriculture and home economics undertaken by states and counties, the beginnings of which in various regions have already been noted. Formal agreements adopted by the Department and by the land-grant colleges followed from the provisions of the Act that "this work shall be carried on in such manner as may be mutually agreed upon by the Secretary of Agriculture and the State agricultural college or colleges receiving the benefits of this Act."16 An outright grant to each state was provided, and larger additional funds were made available upon matching by states "in the proportion which the rural population of each State bears to the total rural population of all the States as determined by the next preceding Federal census," 17 and upon the approval each year of the "plans for the work to be carried on" by the "proper officials of each college" and the Secretary. 18 The state extension services, the state agricultural experiment stations,

¹⁸For laws relating to the extension program see *ibid.*, pp. 152-56. The amounts available have been increased and other changes have been made since the Smith-Lever Act was passed.

¹⁶Laws Applicable to the United States Department of Agriculture (1935), p. 153. Essential information about the Extension Service is in Misc. Pub. No. 15 of the Department of Agriculture, A History of Agricultural Extension Work in the United States, 1785–1923 by Alfred C. True, and No. 285, Federal Legislation, Regulations and Rulings Affecting Cooperative Extension Work in Agriculture and Home Economics (rev. ed., 1938). See also Gladys Baker, The County Agent (1939) and Russell Lord, The Agrarian Revival (1939), which are indispensable to the student of agricultural administration. For an account of the Smith-Lever Act see Lord, ibid., pp. 86–99.

¹⁷Laws Applicable to the United States Department of Agriculture (1935), pp. 153–54.

¹⁸For laws relating to the extension program see ibid., pp. 152–56. The amounts avail-

and the colleges of agriculture and home economics constitute in each state an institutional cluster whose significance for the study of federalism in action has been too much neglected by political scientists. ¹⁹ Through grants-in-aid, formal agreements, conference, and informal consultation, research and informational services have been distributed among three levels of government. While the system has problems and inevitable strains, because of divergent institutional loyalties and political allegiances, it is also a most remarkable example of the association of functional interest groups in local communities with three levels of government.

Perhaps it is significant also that the new interest in the social aspects of agriculture paralleled women's participation in higher educational institutions and in politics. The work of the Bureau of Home Economics in 1939 had its origins in the informational services for the homedemonstration agents and in the home economics work undertaken by the land-grant colleges and the experiment stations with the assistance of the Office of Experiment Stations. By 1890 four of the land-grant colleges had departments of domestic science. An organized movement for encouraging work in this subject generally was instituted in 1800 at a meeting at the Lake Placid Club under the chairmanship of Mrs. Ellen Richards, a pioneer in this field, and with the support of Melvil Dewey, a pioneer in many causes, including library work. Mr. Dewey had included the subject that is now termed "home economics" in his library classification system under the term "production." It is interesting that this conference, which was the first of a series of annual conferences, definitely called the subject "home economics" and placed it under the larger classification of "economics of consumption." Neither the landgrant colleges nor the national government had representatives at this first conference; Mr. Atwater, however, who was carrying on research at Wesleyan University on nutrition problems in collaboration with the Office of Experiment Stations, communicated with it. At the second conference, a year later, a representative of a land-grant college was present; subsequently these institutions, of course, played an important part in the movement. After ten years of these conferences the American Home Economics Association was organized.²⁰

¹⁹Note, however, Gladys Baker, op. cit., as well as the writings of Key, Gettys, and Clark previously cited.

²⁰ The Association issues a list of its publications in which are cited a number of pamphlets, books, and reprints, giving an account of the history of this movement and of the organization. Note, for example, True, "The Lake Placid Conferences, 1899–1908," Journal of Home Economics, April, 1928; Caroline L. Hunt, The Life of Ellen H.

Woodrow Wilson's "New Freedom" program gave some reflection to a number of the social movements that had been pressing for legislative and administrative expression. The establishment of a separate Department of Labor and the organization in it of the Children's Bureau under Julia Lathrop are illustrations of the new tendencies. We have seen that Secretary Houston had emphasized the wider economic and developmental role that he felt the Department of Agriculture should play. In his first report he also referred to the need for a recognition of the family aspect of agricultural life.²¹

The department believes that intelligent help to women in matters of home management will contribute directly to the agricultural success of the farm. It purposes, therefore, to ask Congress for means and authority to make more complete studies of domestic conditions on the farm, to experiment with labor-saving devices and methods, and to study completely the question of practical sanitation and hygienic protection for the farm family.

The farmer's wife rarely has access to the cities where labor-saving devices are on competitive exhibit, nor does she often meet with other women who are trying these devices and gain from them first-hand information. It seems important, therefore, that the department, cooperating with the proper State institutions, should be ready to give the farm home practical advice.

Consequently, a new agency, the States Relations Service, was set up including the Office of Home Economics, the Office of Experiment Stations, and two Offices of Cooperative Demonstration Work (North and South).²²

Departmental Organization

Secretary Houston's conception of the Department as a developmental agency "in the period where we must think and plan," and the fact, too, that prior to his appointment the Department had been under one Sec-

Richards (1912); Benjamin R. Andrews, "The Thirtieth Birthday," Journal of Home Economics, February, 1939; "Your Bureau of Home Economics—Fifteen Years A-Growing," National Magazine of the Home Economics Student Clubs, April, 1938; Kathryn Van Aken Burns, "Home Economics and the Agricultural Program," Journal of Home Economics, February, 1938; "Martha Van Rensselaer, 1864–1932," Journal of Home Economics, September, 1932.

21 Report of the Secretary of Agriculture, 1913, p. 30.

22 See True, A History of Agricultural Extension Work in the United States, 1785–1923,

²²See True, A History of Agricultural Extension Work in the United States, 1785–1923, especially pp. 127 ff. See also Key, op. cit. In 1923 these agencies were reorganized into separate units as the Bureau of Home Economics, the Office of Experiment Stations, and the Extension Service. It was an organization auxiliary rather than operating in nature, facilitating the supply of services of all the bureaus of the Department to land-grant institutions and farm families.

retary for sixteen years, made natural his attention to a reappraisal of policy and organization. Changes resulted in general departmental staff and auxiliary services.²³ To counsel him in making these changes, the Secretary appointed an informal advisory committee of agricultural economists that included Messrs. Carver of Harvard, Warren of Cornell, Boss of Minnesota, Taylor of Wisconsin, Foord of Massachusetts, Falconer of Ohio, Adams of California, and Christie, the Assistant Secretary of the Department. The Secretary's administrative assistant ²⁴ organized the flow of business in the Secretary's Office, to which were attached the Offices of the Chief Clerk, of Information, of Inspection, of Exhibits, of Forest Appeals, and of the Solicitor. The information program was developed in part from advice given to the Secretary and the Department by Walter Hines Page, who, in Houston's opinion, should have been made Secretary and who, with T. N. Carver, had been consulted early in the new administration on the problems of the Department.

Effects of the World War

The dominant factors affecting the Department from 1917 were naturally those arising out of our entrance into the World War. Agricultural production had mounted with the markets and prices developing from 1914; new efforts were required in order further to increase food production, reduce wastes in processing and distribution, provide labor to replace that which would be engaged in the armed services, and in general to carry out the provisions of the Food Production Act. Conferences were called by the Secretary in Berkeley, California, and in St. Louis, Missouri, early in April, 1917, at which state and land-grant officials and "other leaders of agricultural opinion" were present and a program was drafted.²⁵

It is noteworthy that, in two days, the agricultural leaders of the country drew up a programme the wisdom of the essential features of which has not been successfully questioned and the substantial part of which was embodied in two bills. The prompt and effective handling of the

³⁸ Another change in the Department announced by the Secretary was the rearrangement of functions to constitute an Office of Public Roads and Rural Engineering. Eventually these were split, with the development of the huge federal-aid roads program, into a Bureau of Public Roads and a Bureau of Agricultural Engineering. The latter later underwent further change by association with the physical research work of the Bureau of Chemistry.

of Chemistry.

24 Floyd Harrison, a career official of the Department from what would today be called the "C.A.F." service. His duties developed into an assignment not unlike that of an English permanent undersecretary, somewhat, we suspect from a few conversations, to the resentment of some of the bureau chiefs of scientific careers. The same tension has been observable in the English civil service on occasion.

²⁵Houston and Basil, op. cit., p. 261.

situation was made possible by reason of the fact that the American people, generations before, had wisely laid the foundations of many agricultural institutions and had increasingly liberally supported them. The nation was fortunate in having had in existence for many years, for the purpose of promoting scientific and practical agriculture, its Federal Department of Agriculture, and a department of agriculture and a Land Grant college in each state, as well as great farmers' organizations.

This quotation is Secretary Houston's summary of the agricultural institutions of the country in 1917. One effect of the war program on personnel was the expansion of the programs and personnel of the Bureau of Markets and Cooperative Extension Service. Another effect, equally important, was the stimulation of organization and growth in prestige of agricultural interest-group associations, which the Department called into conferences on programs. They began to think more and more in terms of governmental policy and of the services of their Washington offices which these developments made necessary,26 and they were officially consulted through the National Agricultural Advisory Committee²⁷ established to advise the Department of Agriculture and the Food Administration.

In the long run there finally emerged the tremendous problems of readjustment of prices, debts, land use, and all other basic factors in agriculture. One sees in this special field an application of the general truth that just when the United States was beginning to face its neglected problems of readjustment to a new America, the World War came to arrest its efforts, even to suppress them, and to complicate and exacerbate its problems.²⁸ We have seen how clearly Secretary Houston envisaged the need for reappraising the place of agriculture in our national economy and the functions and the organization of the Department itself. No sooner had his first efforts begun to take effect than the war came, to create additional problems with which the nation and the Department were to be confronted continuously thereafter.

Undoubtedly the emergency program helped to float the new Extension Service into wide acceptance, especially in areas where as yet it had

²⁶We have had the privilege of reading the ms. of Alice Margaret Christensen's valuable study, "Agricultural Pressure and Government Response in the United States: 1919–1929," in the early pages of which the influence of the war on the development of farm pressure groups is described. A ms. copy of this study is in the Library of the University of California.

²⁷Its membership is given in Houston and Basil, op. cit., pp. 343-44.
²⁸Note the dramatic presentation of the disastrous effect of the war on the expansion of wheat farming in the film, "The Plow That Broke the Plains." See also Jacks and Whyte, op. cit.

not been introduced. As a result, there was a great stimulus to the organization of local farm bureaus to facilitate the work and to bring local support. All parts of the work—agricultural, home economics, boys' and girls' clubs-shared in this expansion; the most varied and heavy burdens fell upon the agents—a situation paralleled in later years with the programs instituted to meet the depression emergencies.

The Houston Period Reviewed

We may well conclude our discussion of the Houston secretaryship with some contemporary summaries, including comment of his own; we do so with the warning and reminder that the development of functions and of administrative organization has not been sharply broken by changes in party control since Secretary Houston's time. The reorganization of the "New Freedom" Department extended over a ten-year period and may properly be called the Houston-H. C. Wallace program. The Department was becoming so large and varied, it had become so sensitively adjusted to so many important factors in the American political economy, that while a Secretary could influence its development he could not dominate it.29 Edward Wiest remarks:30

The administrative or overhead functions always remain more or less close to the secretary's office, while the bureaus, to which are committed the various differentiated projects of the department, are headed by a chief or director and are much farther removed from the supervision of the Secretary or his assistants. Over some bureaus like the Weather Bureau, for instance, the secretary exercises only a nominal control.

This note of recognition of an emergence of what we term a generalstaff and an auxiliary function is sounded also by William L. Wanlass:³¹

Those functions which relate to the department as a whole have been assigned to units which although not forming a part of any bureau, are ranked as divisions, whose principal officers are directly responsible to the department head. . . . Still other activities are, for various reasons, carried on by units which form integral parts of the Secretary's office. These subdivisions are designated as offices. . . .

This general plan of organization, with its rather numerous divisions and subdivisions has been criticised as constituting too wide a gap

²⁹By 1919 its personnel was over 22,000, as listed in the Federal Register; the largest agencies were the Bureau of Animal Industry with 4,700 employees, the Forest Service with 2,800, the Bureau of Plant Industry with 1,700, and the Bureau of Markets with 1,500. 30 Op. cit., p. 36.

³¹ Op. cit., pp. 39-41.

between those officers who are directly engaged in doing the actual work of the department and those who are responsible for the success or failure of that work. Such a condition, it is asserted, is conducive to what is called government "red-tape" and the consequent loss of energy and proper understanding. It is true that many of the principal administrative officers have a very inadequate appreciation of some of the work which they are directing.

In an organization whose activities are fairly unified, or which are sufficiently simple that they might be grasped in some detail by one or a few men, such a criticism as the above would be valid. But in an institution such as the Department of Agriculture, with its extensive field of operation and its multiplicity of diverse activities, it is impossible for one man to obtain a comprehensive grasp of the whole. The same is largely true even in some of the larger bureaus. Chiefs of bureaus are not always sufficiently familiar with the details of their respective functions to give them the most effective direction and coordination. Furthermore, these men are for the most part trained scientists and not trained administrators. Frequently, their special scientific interests claim their time and attention to the detriment of other equally important administrative problems.

Secretary Houston himself, in his memoirs,³² lists as the most important achievements of his secretaryship the increase in appropriations for the support of the "regular activities" from \$24,000,000 to \$36,000,000; the development of informational work and creation of the Office of Information; the establishment of the Extension Service and the Office of Markets and Rural Organization; the reorganization of the Department, and particularly the attachment of the Office of Farm Management and the States Relations Service to the Secretary's Office; the passage of the Cotton Futures, Grain Standards, and Warehouse Acts; the improvement of farm credit through the Federal Reserve and Farm Loan Acts; and passage of the Federal Aid Road Act.

We have a valuable means of comparison of the nature of the Department in 1920 with that of twenty years later in the study by William L. Wanlass published in that year. The aim of this study was to "describe, examine, and criticize the conduct of this administrative work," as distinct from its "research and educational activities." After a brief history of agricultural legislation in the United States with particular reference to the Department's evolution, the author describes the organization, cooperative relations with the states, the administration of the more important regulatory laws, and the financial administration of the Department. His interpretation of the changes initiated

⁸² Op. cit., pp. 199-210.

under Secretary Houston seems to be amply supported by the later history of the Department; his suggestions about the relations between the Department and Congress in budget matters anticipate in part the later developments. He notes the effort to equip the Department as a whole through the Office of the Secretary with those instruments that we have designated as auxiliary services; what we have termed the general staff was not, at that time, discernible.³³ Some of the appraisals by Mr. Wanlass follow:³⁴

Contrary to the prevalent opinion, the activities of the Department of Agriculture are by no means limited to the protection or promotion of the interests of any one class or of any one industry. . . . Numerous and diverse as are the functions of the Department of Agriculture, they are still more nearly homogeneous in character than are those of most of the executive departments . . . this has made possible a relatively simple organization. The reorganization effected in 1915, while disturbing only slightly the previous structure, secured a much more logical and effective grouping of the various functions to be performed. In perfecting the present organization, the department head was given a degree of freedom by Congress not usually enjoyed by administrative officers.

Mr. Wanlass touches briefly on the problem of functional relations with other departments: he notes that the administration of the Food and Drugs Act might seem more properly to be the duty of the U. S. Public Health Service except for the presence in the Department of extensive laboratory facilities and of a staff of chemists and bacteriologists; he also notes that other functions required careful adjustment with those assigned to the Department of the Interior. He records the contemporary criticism of the publications of the Department and of their distribution and notes improvement in this activity. He hints at possible future difficulties in the extension program because of farmer resentment at "interference"; he concludes on a note that could be echoed in 1939: the difficulty in developing adequate techniques and procedures whereby Congress may serve as a general control. "As Professor Willoughby says, it is due to the failure of Congress to conceive

⁸³Nevertheless, an important eventual constituent element was shortly to be established in the B.A.E., and something of a general-staff function was already being performed at times by the Solicitor, the administrative assistant to the Secretary, and the Chief of the Office of Farm Management in the latter part of Houston's administration. Perhaps we overstress the possibility of an approach to a general-staff type of service at this time, because we are looking back twenty-five years from a time when it is recognized; yet we believe that we can see the need creating a beginning of institutional development, not clearly recognized at that time. The work of Mr. Harrison and of H. C. Taylor as Chief of the Office of Farm Management seems to us of that type.

³⁴ Op. cit., pp. 109-14.

of itself as a board of directors supervising and controlling a great enterprise." ³⁵ Mr. Wanlass' final paragraph is particularly interesting to those who have been following, twenty years later, the efforts to effect administrative reorganization. ³⁶

In concluding an administrative study of one of the great departments of government, perhaps the strongest impression one receives is that, while a given department may make, or fail to make, many minor improvements which, if made, would go far toward more effective administration, there can be nothing like an adequate solution of our administrative problems short of a complete reorganization and revivifying of the system as a whole. There are ever increasing evidences that important changes will be made in the not distant future.

In an appendix Mr. Wanlass³⁷ presents an outline of the Department's organization as of the fiscal year 1917 (prior to April 6, 1917, when we entered the World War). He divides the administrative units into two categories: institutional and functional. The first includes all the administrative units, and only those, in the Office of the Secretary: the "Secretary's Office proper," Assistant Secretary's Office, Solicitor's Office, Disbursing Office, Library, Chief Clerk's Office, Mechanical Superintendent's Office, and the Offices of Information, Inspection, Exhibits, and Forest Appeals. He places the following in the category of "functional units": Office of Farm Management, Weather Bureau, Bureau of Animal Industry, Bureau of Plant Industry, Forest Service, Bureau of Chemistry, Bureau of Soils, Bureau of Entomology, Bureau of Biological Survey, Division of Publications, Bureau of Crop Estimates, States Relations Service, Office of Public Roads and Rural Engineering, Bureau of Markets, the Insecticide and Fungicide Board, and the Federal Horticultural Board.

Our own basis for classifying administrative units leads us to place the Office of Farm Management, the States Relations Service (which then included what later became the Office of Extension Service and Office of Experiment Stations), the Division of Publications, and some of the research work of the Bureau of Markets in the category of "institutional units," or, as we prefer to say, among the general-staff

⁷ Op. cit., pp. 115-18.

³⁶ Ibid., p. 114.
³⁶ Doubtless Mr. Wanlass refers here to promises made by the Republicans in the campaign of 1920 to reorganize the government upon coming into power. A Joint Committee consisting of three members each of the House and Senate and a representative of the President submitted a report, but no action was taken. References to the relevant documents are conveniently given in Lewis Meriam and Laurence Schmeckebier, Reorganization of the National Government (1939).

and auxiliary services. Nevertheless, we think it significant that Mr. Wanlass, writing when he did and observing the reorganization of the Department under Mr. Houston from within, stresses the recognition of the more general problems of administration that had arisen from the expansion and increasing variety of subject-matter legislation. Apparently what had not then impressed itself generally upon students of administration (and has not yet done so sufficiently) was the need for a more conscious and continuous appraisal of the program and equipment of an executive department to insure an effective control of all its activities for the purpose of realizing the fundamental objectives assigned to it by Congress. The task of appraisal and research concerning the political-economic-social problems of agriculture, as well as the role of government in these problems, was, however, shortly to be more consciously recognized in the establishment of the Bureau of Agricultural Economics.38

POSTWAR DEVELOPMENTS

The Bureau of Agricultural Economics

This Bureau was formed in 1922 by the consolidation of the Office of Farm Management, the Bureau of Crop Estimates, and the Bureau of Markets; it reflected the increasing attention given to studies of agriculture "outside the fences," as well as the emergence of agricultural economics and rural sociology in the curricula of a few institutions of higher learning. The currents of influence and experience that joined to produce the program of the new unit cut across party changes and changes in the secretaryship. Crop-reporting work, for example, was as old as the Department itself.³⁹ The work of Messrs. Spillman in farm management, instituted in the Bureau of Plant Industry, Baker in developing an Atlas of Agriculture of a comprehensive natural resources scope, Stine in agricultural history, Brand in marketing problems, is well known. When Henry C. Taylor became Chief of the Office of Farm Management in April, 1919, F. W. Peck was brought from the University of Minnesota to work on costs of production; L. C. Gray from Peabody College to work on land economics; and C. J. Galpin from the University of Wisconsin to undertake studies in rural life. Conscious effort was made to cut across bureau lines in

³⁸ A master's thesis at the Graduate School of the American University by Kenneth O. Wernimont, "The Bureau of Agricultural Economics as a Functional Unit of the Federal Government" (1937), shows the evolution of the Bureau.

See the pamphlet, "Seventy-fifth Anniversary of the United States Crop Reporting Service (1863–1938)," issued by the B.A.E., May, 1938.

research programs through committees and conferences. Work initiated under Secretary Houston continued under Secretaries Meredith and Henry C. Wallace,⁴⁰ who became Secretary upon the accession of Harding to the presidency. On July 1, 1921, Secretary Wallace appointed Henry C. Taylor chief of the new Bureau, the program of which had been under discussion for some time by a departmental committee under the chairmanship of Assistant Secretary E. D. Ball. The new Bureau had 1,800 employees; two assistant chiefs, a business manager, and an employment manager were included in the overhead management personnel. The Bureau's functions included both the extensive operating tasks incident to various market and exchange service and regulatory duties, as well as the informational and research activities already mentioned.

Changed Conditions Facing the B.A.E.

For the newer conception of a function of analysis and appraisal of social and economic factors affecting the individual farm, a broader economic training, as well as training in more refined statistical techniques, was required, and in-service training was instituted. Studies of farm prices and costs in relation to general price trends, production trends, intentions to plant or breed, and demand trends, for example, had to be re-evaluated in the light of important changes in American and world political economy. These changes had their inevitable political repercussion. The United States was at once confronted, at the close of the World War, with readjustment to its internal problems centering in the closing of the frontier—the attempted solutions of which had been arrested by our entrance into the war—and to its changed position externally. Secretary Houston records, in his memoirs, the first appearance of the problem which was to persist.⁴¹

We were no sooner out of the difficulties presented by the high cost of living than we were confronted by a more difficult situation, that caused by the sharp decline of prices of agricultural commodities, about midsummer and thereafter. The first impulse of many who were hit by the declining prices was to turn to the government, and especially to the Treasury, as the sole recourse for their salvation. This disposition had developed before the war. It was reinforced during hostilities. I was flooded by letters demanding that the Treasury do something. Many delegations appeared, insistently urging that the

⁴⁰His father, Henry Wallace, had been influential in the selection of James Wilson for the secretaryship, and his son, Henry A. Wallace, was the Secretary at the time of this study.
⁴¹Houston and Basil, op. cit., Vol. II, pp. 103-5.

Treasury see that the high prices that had prevailed were maintained, and even demanding that in some way they be enabled to secure even higher prices.

Some of the more important factors of the setting in which the new Bureau was placed are given in this comment. Other factors were also present. The shock sustained by farm products in the world market was not shared, farmers believed, by American goods marketed at home behind the shelter of protective tariffs; mortgage interest rates and payments on lands that had been purchased during the war in order to profit from the national program of expanding production of foodstuffs and fibers were mocked by the swift collapse in farm-land values except in selected boom areas. Farm commodities had in the past been exported in huge quantities in payment of capital and interest obligations because of our century-old dependence upon European investors, but the war had caused the liquidation of this status. The fear of European states of dependency upon imports in the event of further warfare resulted also-in default of any effective guarantees of collective action to prevent and suppress war-in policies of subsidization of agriculture and of encouragement of self-sufficiency, which were subsequently carried to extreme length. 42 The collapse of farmer purchasing power was felt not only by banks and retailers in the districts affected—and notably and earliest in the wheat and cotton regions—but also by the mail-order houses and the manufacturers of farm equipment. 43 Ironically enough, the war had been an important contributing factor in the rise of a new and influential pressure group in agriculture, the American Farm Bureau Federation, which had developed out of the county farmer organizations, sponsoring, and in some states sharing in, the financing and direction of the Cooperative Extension Service through its many constituent local units, the county farm bureaus.44

⁴²For an excellent brief and balanced statement of the postwar situation affecting American agriculture and political economy generally see Henry A. Wallace, America

American agriculture and political economy generally see Helly II. Wallace, Indicate Must Choose (1934).

43A valuable bibliography in A. M. Christensen's ms., op. cit., reflects the variety of forces and alliances in the farm-aid movement. See also E. Pendleton Herring, Group Representation Before Congress (1929), especially chap. vii, "The Embattled Farmers at Washington." Of special value are Edwin G. Nourse, American Agriculture and the European Market (1924), Joseph S. Davis, On Agricultural Policy (1939), and John D. Black, Agricultural Reform in the United States (1929) for interpretations of the economic factors. In Why Quit Our Own? (1936), George Peek (with Samuel Crowther) describes in part his association, and that of Hugh Johnson, with the farm pressure groups and reveals the interconnections of the farm organizations with manufacturing and financial reveals the interconnections of the farm organizations with manufacturing and financial interests in these movements.

"Christensen, op. cit., p. 8.

New Research and Informational Services under the B.A.E.

We mention these well-known facts because the development of a more general economic research and informational service in the Department through the B.A.E. at this particular time was bound to have a significant influence upon the views and policies of those active in the various farm-aid movements. Efforts to measure costs and income "outside the fences" would invite comparisons, and before long such slogans could be heard as "equality for agriculture," "parity prices," and "make the tariff effective for agriculture." Inevitably the work of civil servants engaged on research in the relations of agriculture to other aspects of American life would not only affect the more specialized types of research into problems of a particular commodity or plant or animal but also would raise difficult questions of regional and national

policy.

The establishment in the B.A.E. of an "Agricultural Outlook Report" service based upon the older, as well as the expanded research and informational, work of the Department was also significant of the effort to assist agricultural adjustment. This was inaugurated in 1923, following a conference called by the Bureau at which were present economists and statisticians from various universities, government departments, and business firms. Outlook reports were designed to assist in the better adjustment of production to the important factors of supply, demand, costs, and price; with their forecasts of probable trends they offered obvious risks. The effectiveness of the staff would be tested by events; then, too, a good many vested interests profiting in the past from the ignorance of some groups in the industry might well dislike the publication of such material. Some argued that the publication of data on available supply, for example, affected adversely prices to the farmer or to some other group. Here, as in the publication of crop reports (carefully protected to prevent the corrupt acquisition of information in advance for purposes of speculation), 45 the mere supplying of data might be resented and might cause some group to retaliate by attacking the Department through appropriation bills. Thus the role of supplying information, seemingly innocuous, becomes, in our sensitive and interdependent economy, as important as it is difficult, particularly if the agency undertaking the task is regarded by many as inevitably biased in favor of some interest group—and most

⁴⁵See the pamphlet "Seventy-fifth Anniversary of the United States Crop Reporting Service," op. cit., where illustrations are given of safeguarding the work of the Crop Reporting Board by the disconnection of phones, drawing of blinds, placing of guards, etc.

government agencies are so regarded. Here is a type of government work, however, in which the civil servant, while anonymous, nevertheless has the stimulus of knowing that the published result will be subjected to the sharpest scrutiny and the fiercest attack.

The older activities of the agencies that had been merged to form the B.A.E. were continued so far as funds and the availability of staff permitted. Cost studies were undertaken in the more "pathological areas" of the period, such as the Red River Valley, the Northern Great Plains, and the cattle ranges of the Southwest. Studies were made of "land boom" areas and of tenancy. The delicate and difficult task of procuring the adoption of more adequate grain, cotton, and wool standards involved relations not only with the states and industries at home but with trade centers abroad. The use of state and industrial personnel as officials of the Department of Agriculture in the enforcement of standards shows how an extension of government may widen the facilitation of the interests and activities of the individual and the group. The supply of market-news service was extended through leased wires and, later, through radio; shipping point and terminal inspection services were increased (financed by the fees charged), as were the development and clarification of standards and grades and container standards on a voluntary basis. 46 The Foreign Agricultural Service 47 inevitably took on added importance with the growing concern for our export markets and our situation in international trade generally. The mounting interest in cooperative marketing led to expansion of research and informational and accounting services in this field, which was later to be assigned to the Farm Board and returned to the Department in 1939 with and as a part of the Farm Credit Administration, the successor to the Board.

We have noted the initiation of studies of rural life in the Office of Markets and Rural Organization and their eventual transfer to the Office of Farm Management and the B.A.E. The program of the Division of Farm Population and Rural Life was based upon a report prepared by a committee of which Thomas N. Carver had been chairman.⁴⁸ This report outlined various fields of research in rural sociology, which, the committee urged, should become the responsibility of the

Wiest, op. cit., pp. 164-85, presents an account of the work of the Bureau in its first years. It is worth noting that he emphasizes the operating functions and makes no reference to research on more general problems of agricultural policy. The staff, indeed, may be said to have been pushed into such studies in part by the logic of the events of the time.

⁴⁷This was detached from the Bureau, made a general-staff agency in the Office of the Secretary, and renamed the Office of Foreign Agricultural Relations in 1939.

⁴⁸Department of Agriculture, Office of the Secretary, Circular No. 139, June, 1919.

new Division, and, so far as funds permitted, the program constituted the working schedule of the Division for the next fifteen years. During this period its studies resulted in the publication of twenty-one bulletins and ninety-five mimeographed reports. ⁴⁹ In 1925 the passage of the Purnell Act granted an authorization to the state agricultural experiment stations for the use of increased grant-in-aid funds for research in the economic and sociological aspects of agriculture. ⁵⁰ The Division emphasized collaborative research in rural sociology with the land-grant institutions and thus stimulated further development of the field. A number of bulletins based upon this collaborative research were published by the different agricultural experiment stations.

Organization Within the B.A.E.

By 1925 the B.A.E. had been organized into the following operating divisions: Production (including Farm Management and Costs and Crop and Livestock Estimates as subdivisions), Marketing (with subdivisions for Cottons, Fruits, and Vegetables; Livestock, Meats, and Wool; Grain, Dairy, and Poultry Products; Cold Storage, Hay, Feed, and Seeds; and Warehousing), Agricultural Finance, Statistical and Historical Research, Agricultural Cooperation, Farm Population and Rural Life, and Land Economics. The general-staff and auxiliary services included the offices of the Chief, the two Assistant Chiefs, and an Administrative Assistant, a Library, the Bureau's Division of Information, the Foreign Agricultural Service, the Business Manager, and the Employment Manager.⁵¹ With the offices of the Chief, the two Assistant Chiefs, the Administrative Assistants, and their secretaries grouped in a suite of offices, the routing and delegation of business and a common attack upon problems of interest to all the operating units of the Bureau could be facilitated.

A weekly seminar composed of the heads and chief technicians of

49 See Carl C. Taylor, "The Work of the Division of Farm Population and Rural Life,"

Rural Sociology, June, 1939, pp. 221-28.

operating services, which went to the new (and in part, old) unit devoted to marketing. The Bureau was to be exclusively a research and planning agency, or, as we use the term,

a part of the general staff. See below, pp. 311-13.

⁶⁰ The subject matter of research was widened to include "conducting investigations or making experiments bearing directly on the production, manufacture, preparation, use, distribution, and marketing of agricultural products and including such scientific researches as have for their purpose the establishment and maintenance of a permanent and efficient agricultural industry, and such economic and sociological investigations as have for their purpose the development and improvement of the rural home and rural life." 43 Stat. L. 970. For an account of this legislation see True, A History of Agricultural Experimentation and Research in the United States, 1607-1925, pp. 275-78.

the various units, meeting on Monday mornings at nine o'clock with the Chief and Assistant Chiefs, served to expedite the planning of research and programs, as well as to clear administrative matters common to the Bureau as a whole. The new Bureau performed important general-staff services for the Secretary and the Department in a period of formative development both in the field of agricultural economics as a social study ⁵² and in the evolution of governmental policy on agriculture. It prepared the materials supplied by the Secretary and the Department to the National Agricultural Conference called by the President that met in January, 1922, ⁵³ and it was largely responsible for the Department Yearbooks for 1922-25.

During these years interest both in study and research and in public policy tended to move beyond the earlier more specialized and localized problems of farm accounting and of particular commodities and markets. Interest developed in questions of the relation of agriculture to the distribution of wealth, to consumer purchasing power, to the balancing of economic and social forces and in the analysis of historical developments reflecting these questions. Contact of officials through their representatives with the rising farmer movements in the more distressed areas, such as the wheat regions of the Northwest and Northern Great Plains, forced some consideration of the more humane aspects of what might otherwise have remained statistical tables. The day-to-day tasks of the operating units, dealing with market and other services, invited the research worker recently recruited from a university to think in terms of "things" as well as "words." The opposition to the Bureau, which inevitably developed, and the efforts to transfer some of its ac-

⁶² Note the development in this same decade of the Social Science Research Council, one of the important committees of which was that on Social and Economic Research in Agriculture. Its membership included not only those working in this field in universities and research institutions but also sometime members of the staff of the B.A.E., such as H. R. Tolley, L. C. Gray, C. J. Galpin, H. C. Taylor, and M. L. Wilson.

⁶³ See Report of the National Agricultural Conference, January 23-27, 1922, 67th Cong.,

tivities to the Department of Commerce on the ground that the function of that Department was to administer all marketing activities, at

see Report of the National Agricultural Conference, January 23-27, 1922, 67th Cong., 2nd sess., House Doc. No. 195. Invitations to attend were sent to three hundred persons in the "Farm Group," seventy-five in the "Farm Official Group" (which included seventeen state officials, twenty-five agricultural college officials, six economists, and twenty-seven agricultural editors), and sixty-four persons in the "Farm Business Group" (which included twenty-one distributors, twelve manufacturers, ten bankers, nine transportation officials, and twelve "public men"). Representative Sydney Anderson, Chairman of the Joint Commission of Agricultural Inquiry, presided, and H. C. Taylor, Chief of the B.A.E., was the executive secretary. The report contains various statements presented at the Conference, reports of the committees, and resolutions adopted. It is a type of subject-matter document which may most usefully be studied by the political scientist interested in the administrative problems of agriculture since 1920.

once stimulated an esprit de corps and morale among the staff and led to a rallying of farm organizations to its defense.⁵⁴

Expansion of Older Activities

Other substantial developments of the postwar period evolved naturally out of activities already noted. Thus, the Forest Service, after a struggle in establishing the principles and techniques of forest-reserve management and in equipping the widely scattered units under its jurisdiction, had pushed forward a research program that led, in the act of May 22, 1928, to a general provision for the establishment of regional forest experiment stations. Earlier legislation had authorized an extensive program of forest-taxation research, and the Clarke-McNary Act of June 7, 1924, extended the principle of national-state cooperation into the field of forest-fire prevention and suppression and the production of timber "on lands chiefly suitable." An interesting provision of the act of May 22, 1928, authorized the study of "the relationship of weather conditions to forest fires." The same act increased the funds available for research in forest products, appropriated funds for forestrange research and for research into the life histories and habits of forest animals and birds, and directed the Secretary to undertake 55

a comprehensive survey of the present and prospective requirements for timber and other forest products in the United States, and of timber supplies, including a determination of the present and potential productivity of forest land therein, and of such other facts as may be necessary in the determination of ways and means to balance the timber budget of the United States.

The establishment of the Bureau of Home Economics as an agency separate from the Extension Service served to mark the development of the research program in foods, textiles, and home equipment, and to point to a possible integration of agricultural policy generally with the growing interest in, and knowledge of, nutrition problems.⁵⁶ Other

⁶⁴The editorial fear of a "clique of bureaucrats" was not born in 1933. The important part played by civil servants drawn from this Bureau in action programs since 1933 should be noted by the student of public administration, particularly as one compares their careers with the careers of those entering public office in the same period from other types of activity, such as George Peek, the industrialist; Rexford Tugwell, the teacher; or Jerome Frank, the lawyer. Note, for example, the participation by L. C. Gray in the land-use program and of Carl Taylor in the Resettlement Administration; also that of Messrs. Tolley, Hutson, and Tapp of the Agricultural Adjustment Administration; M. L. Wilson; and many others.

⁶⁵ 45 Stat. L. 702, sec. 9. ⁶⁶ It is significant that this relationship has already been a subject of extended investigation by committees established by the League of Nations (to whose work in this field the work of the Bureau has made substantial and pioneer contributions) and that in some changes in subject-matter bureaus during the postwar, pre-New Deal period included the establishment of a Bureau of Dairy Industry (developed out of a former division of the Bureau of Animal Industry), the Bureau of Chemistry and Soils, a separate Food and Drug Administration (administering the regulatory laws formerly entrusted to the Bureau of Chemistry), the Bureau of Agricultural Engineering (formerly a part of the Bureau of Public Roads), and the Bureau of Entomology and Plant Quarantine. Additional regulatory duties, designed to facilitate marketing, included the Packers and Stockyards Act of 1921, the Grain Futures Act and Naval Stores Act of 1922, the Export Plant Certificate Act of 1926, the Caustic Poison Act and Import Milk Act of 1927, and the Standard Hamper Act of 1928.

The Federal Highway Act of 1921 marked a further evolution of the federal-aid highway system and concentrated that aid on "7 per centum of the total highway mileage" of a state, fixed general minimum standards, and left to the Secretary of Agriculture the further refining and defining of the general standards established by the law. A provision (Section 21) authorized the expenditure of not more than 2.5 per cent of the appropriation to be expended for administration and research and investigations.⁵⁷ Subsequent legislation authorized expenditures for roads and trails in the national forests and other national property, for rural post roads, for the reconstruction of roads destroyed in various floods; with the coming of the depression appropriations were increased for all road purposes as a means of providing employment and stimulating industry.

Under the act of June 18, 1934, the principle of national grants was extended further to farm-to-market roads, rural free delivery mail roads, and public-school bus routes. The act of June 16, 1936, also provided for grants for the elimination of grade crossings. The steady development of the national-state highway program and its extension beyond the "7 per centum" established in 1921 forced a more careful appraisal and a more careful selection of projects, to avoid a thin dispersal of available funds over too great a mileage. Consequently, increased attention was given to research on establishing priorities—inevitably to be based upon such factors as land use and population trends—to guide the allocation of funds to road programs. Hence a service that started in the most

of the European states this relationship of agricultural policy to nutrition needs of the population, and population and income problems generally, is becoming an important sector of investigation and even of political and administrative action.

57 This percentage was reduced to 1.5 per cent in an act of June 18, 1934, for "surveys, plans, engineering and economic investigations of projects for future construction."

modest way in the nineties as a means of discovering better methods of building rural roads—roads that then seemed to have been appropriated first by the bicyclists and then by the motorists of the big cities—has again been found integrally related to the land-use planning interests of the Department despite its allocation to a new Federal Works Agency.⁵⁸

Staff and Auxiliary Services

Administrative developments in the Department inaugurated under Secretary Houston and his successor, Secretary Meredith, and continued under Secretary H. C. Wallace included another grouping of alldepartmental services under directors. We have noted that the B.A.E. included both general-staff and operating functions that were related to such economic factors as costs and prices. The new "offices" and "services" established in 1923, 1924, and 1925 were more clearly generalstaff and auxiliary rather than operating units. Thus, in 1923 a Director of Regulatory Work was given the function of attempting to bring all the regulatory work of the Department into some unified review and appraisal, so that the Secretary could turn to this official for advice on the Department's entire range of such responsibilities. Evidently the establishment of this post was premature, for its holder eventually resigned on the ground that he could find no function to be performed in it. 59 In 1923, also, the Office of States Relations was dissolved and in its place were created the Extension Service, the Office of Experiment Stations—both with directors reporting to the Secretary and both serving all the operating agencies of the Department in their relations with state extension services and agricultural experiment stations—and the new Bureau of Home Economics.

In 1925 the Department Office of Information was established with a director at its head, and to it were assigned the press service, publications, and the radio service. In the same year the Offices of Personnel Classification, Appointments, Budget and Finance, Disbursements, Accounting, Purchase and Sales, Traffic, Personnel and Fiscal Inspection,

⁵⁸The immediate and greatest responsibility for planning roads in relation to land-use and population requirements has naturally fallen upon the local governments, but there has also clearly been a responsibility at Washington to protect national expenditures from local abuse.

The later interest in, and attention to, problems of administrative law was characteristic of only a few political scientists and teachers of law at that time, and thus the rich experience in this field, which the regulatory agencies of the Department could supply and which has since constituted a major assignment for members of the general staff, had to wait for interpretation. Similarly, interest in consumer economics, which has also found the work of the regulatory agencies of great importance, has since grown.

and Chief Clerk were combined into the new Office of Personnel and Business Administration.⁶⁰

Before these reorganizations were effected Secretary H. C. Wallace died; they were completed during the secretaryships of his immediate successors, ex-Governor Gore of West Virginia and William M. Jardine, who came to his post from the presidency of the Kansas State Agricultural College in 1925. The only important change in the organization of the general-staff and auxiliary services of the Department down to the creation of the Office of Under Secretary in 1934 was in 1933, when the Office of Personnel and Business Administration was divided into the Office of Personnel, the Office of Budget and Finance, and a Division of Operations. In 1936 a Director of Research was appointed to advise the Secretary on the planning, development, and coordination of the research program of the Department; in 1937 the Office of Land Use Coordination was established as a part of the Secretary's Office. The reorganization of 1938-3961 thus brought to fruition a period of adjustment of organization and functions begun by Secretary Houston in which each succeeding Secretary participated actively, whatever his party affiliations or political views.

Political Movements and Agricultural Programs

We have sufficiently illustrated the development in the postwar period of the older activities, as well as the arrival of a newer emphasis on general economic questions directly affecting agriculture and the resulting changes in organization. Many have generalized and suggested that the work of the Department was first centered on increased production, then upon marketing, and later on organized effort to affect the distribution of income more favorably to farmers. We have seen, however, that interest in research, in the facilitation of production and distribution, and in the supplying of information has been continuous throughout the life of the Department. Furthermore, interest in general economic questions runs back through the statistical and crop-reporting work to the early activities located in the Patent Office. We can note, too, that the institution of a seemingly unimportant function of fact-collection may lead to the adoption of regulatory legislation when what

⁶⁰The creation of the Office of Personnel and Business Administration followed upon the response of the Department, somewhat earlier, to the Budget and Accounting Act of 1921 and the Reclassification Act of 1922, both of which placed upon the operating departments responsibility for more careful treatment of problems of personnel and finance. We discuss this in more detail in Part III.
⁶¹See below, pp. 456 ff.

the facts reveal is assimilated by the potential public affected. Finally, the forces present in postwar American and world political economy brought a re-emphasis to the work of the Department and led to the important expansion and change associated with the Farm Board in 1929 and later with the New Deal program.

In his life of President Coolidge, 62 William Allen White records his

estimate of the period:

The farmer's net income had begun to drop—actually and relatively. There our distributive system clogged. The farmer's income was not adequate to keep agriculture from declining relatively to manufacturing, mining, trade and finance. The bright and alert young men of the farms were drawn off to the city for better wages and better opportunities. Our high tariff policy tended to prevent the export trade upon which agriculture depended largely for its income. After the middle of 1924, we tried to make our foreign loan policy offset the tariff. . . . Moreover the restriction of immigration which the war brought, which the immigration restriction laws produced, created a labor shortage, and a rise in wages in the city. So that industries which once drew labor needed for expansion from Europe began to draw labor in from the farms. Up went labor costs to the employing farmers. Railroad rates increased in 1920 and remained for the decade of the twenties well above the levels of the pre-war days. Agriculture also was burdened with rising taxes as counties and road districts and States borrowed to build roads and for other purposes. All this prodigality handicapped the American farmer—Coolidge's own people. The horse and mule were displaced by the automobile and the automotive truck. In pre-war days cities bought from the farms hay, oats and corn to feed the mules and horses, and during the twenties the farms were buying automobiles and trucks from the cities and gasoline to feed them. Agriculture, unlike corporate industry, had built up a great fabric of mortgage debt as land speculation, on credit, ran to extremes in 1916-20.

We may usefully turn to an observer and analyst who questions the assumptions upon which much of the farm pressure group argument was based to see that other schools of thought held that governmental action, and that by the national government, was required. We refer to the views of Joseph Davis, Director of the Food Research Institute of Stanford University, who was chief economist to the Federal Farm Board.⁶³ In his discussion of the agricultural problem in the United

⁶² A Puritan in Babylon (New York: Macmillan Company, 1938), pp. 341–46. We refer to several pages in which the author discusses at length the relation of agriculture to American economy generally in the period and Coolidge's attitudes towards its problems.

⁶³ Other appraisals of the "farm problem" of the postwar period which we have found most helpful are John D. Black, Agricultural Reform in the United States (1929) and "National Agricultural Policy," American Economic Review, Supplement, March, 1926, pp. 134–55; in the same Supplement note the paper by Carl C. Taylor, "Our Rural Popula-

States are several comments that present useful comparisons with William Allen White's assumptions: 64

... reduced food consumption per capita, changes in the diet, substitution of the automobile for the horse, increased efficiency, even the return of peace, are in no sense to be deplored; on the contrary, they represent wholesome economic changes. In so far as they reduce the land, capital, and labor requirement in American agriculture, they inevitably involve a decrease in the relative importance of agriculture in the national economy. In itself this is no evil, and it portends no evil destiny; but it does mean that agriculture has latterly faced a trying problem of readjustment, the more serious because of synchronous reductions in foreign and domestic demand in the postwar period.

"The downward trend of exports and the rise of imports of agricultural products since 1900"—interrupted temporarily by the war—is a natural and by no means unwholesome consequence of such developments at home and the rise of newer agricultural areas abroad. . . .

The competition of industry for labor and restriction of immigration do not "make farming more costly and harder," but make for increased use of machinery that reduces both cost and toil. . . . In respect to the tax burden on farmers, no consideration is given to the degree to which higher taxes go for improvements, such as better roads, that reduce farm costs, or mean a higher standard of living, such as better roads and schools; or to the advantage the farmer has reaped in paying but a small proportion of the taxes assessed directly for war purposes (e.g., federal income and excess profits taxes). . . .

While Mr. Davis was opposed to most of the proposals advanced by the various pressure groups, he recorded his own suggestions for positive intervention by the national government: ⁶⁵

tion Debacle," pp. 156-66, and discussion of the two papers on pp. 167-70; W. E. Dodd, "Shall Our Farmers Become Peasants?", The Century Magazine, CXVI (1928), 30-44; F. L. Paxson, "The Agricultural Surplus: A Problem in History," Agricultural History, April, 1932, pp. 51-68; Joseph Schafer, "Some Enduring Factors in Rural Polity," ibid., October, 1932, pp. 161 ff.; L. B. Schmidt, "The Agricultural Revolution in the Prairies and the Great Plains of the United States," ibid., October, 1934, pp. 169-95. The volume by Mr. Black includes an extended discussion of the problems of the surpluses, of price raising by government action, and—prophetic term—of "Adjustment—Individual and Cooperative." Among the reform proposals considered are those relating to production, land utilization, marketing, transportation, immigration and farm labor, credit, and "public enterprise and taxation."

⁶⁴On Agricultural Policy 1926-1938 (Stanford University: Food Research Institute,

^{1939),} pp. 69, 70, 72.

65 Ibid., pp. 87 and 88. Note particularly a paper, "America's Agricultural Position and Policy," presented at Henry A. Wallace's Round Table at Williamstown on August 11, 1927, and the papers in the section labeled "Under the Farm Board." Mr. Davis appends a note to this paper in which he states that "later data, revisions of official indexes, and experience in the Farm Board led the author to modify some of the positions taken in this paper." It illustrates, however, the viewpoint, presented in 1927 at an important round-table discussion, of one of the leading agricultural economists.

A first step in dealing with the problem is to spread the true knowledge of it.... The Department of Agriculture is doing valuable work on the economic aspects of agriculture, but its publications still fall short of revealing and interpreting the full nature of the status quo and the course of current developments, especially in individual commodities and particular regions...

The next step in our agricultural policy, I believe, should be to set up an agency competent to take steps, and charged with gradually working out, not in the closet but in practice, a solution that defies all efforts to reach it in advance of experience.

A federal farm board, if wisely chosen and properly constituted, might well perform such a service, provided it were given adequate powers and not saddled with impossible duties. It should not be expected to administer a fully developed plan laid down by Congress, especially one of the proportions proposed in recent bills, but rather, under certain broad powers, to take definite action along several lines, and to supplement the action by bringing forward, from time to time, proposals for action or legislation in line with a maturing policy that would be in the interest not only of farmers but of the nation as a whole.

After the adoption of the Farm Board program by Congress at the suggestion of President Hoover in 1929, Mr. Davis, before he had become an official of the Board, commented as follows: ⁶⁶

The virtue of the measure is that it seeks to increase farmers' incomes, not at the expense of other classes, but by improvements in the marketing process, along with which must almost necessarily be developed, as a condition for success, some control of output....

Investigation and advice as to overproduction is good so far as it goes, but much more is involved than appears on first glance. Effective means for regulation of acreage and breeding are exceedingly difficult to devise and apply, without resorting to a degree of government interference with individual freedom that would certainly be hostile to the traditional spirit of the farmer. Yet overproduction in the economic sense—production in such quantity as to be unremunerative to producers—is all too common, in individual products; and there is a strong tendency, under our changing methods of farming, toward this sort of overproduction of farm products in general. . . .

The tariff in its bearing on agriculture needs to be studied carefully and realistically. Broadly speaking, tariff benefits are restricted to limited groups, and the burdens of a protective tariff so widely diffused that they are not appreciated at their true value. So far as farmers in particular are concerned, I believe that they stand not to

⁶⁶ Ibid., pp. 133-35 (Address to a section of the California Bankers' Association, June 22, 1929).

gain but to lose more or less heavily by striving for their share of tariff protection. A recent article by an able farm editor, Henry A. Wallace of *Wallaces' Farmer*, son of the late Secretary of Agriculture, elaborates this view. I am sure that farmers labor under the delusion that they can profit from our protective policy.

The talk of farm leaders, however, and of most of their advisers throughout the decade was in terms of tariffs and of measures which would "make the tariff effective" for farm products. Present and active in the movement for farm relief were industrialists and their staff men who had been reared in the assumption that state intervention through tariffs was a basic and legitimate and not-to-be-questioned axiom of the American system. The President and Congress that established the Farm Board were also responsible for the Smoot-Hawley tariff, which helped to precipitate a new wave of retaliatory tariff wars and economic nationalism, the end of which has not yet come into sight. The solid basis, too, of farm-relief support was in the agricultural sections of the Middle West, with its allies in the dairying section of the East; in both sections protectionism and the Republican party were strong. The relatively free-trade South was changing its outlook with the development of industry and the rise of a view that it had too long been a colony for exploitation by northeastern finance and industry; when its major commodities suffered severe price declines, farm pressure groups in other areas sought allies among the growers of cotton, tobacco, peanuts, and rice.

Thus, we find that individuals and groups differing in their diagnoses of what was wrong with agriculture in the postwar period, proposing different remedies, and coming from different traditions in different regions—all hoped to bring about some kind of positive governmental action about agriculture.

What policies for dealing with the economic aspects of agriculture were considered by these various groups in the early years of the decade? The policy apparently making least demand for an extension of government activity was that of supplying the farmer with better information about production and markets so that he might adjust his operations more effectively to those conditions affecting the profitableness of his farm. Closely allied was the policy of improving marketing services—not only improving the supply of information about prices but also offering the facilities of governmental officials in inspection and grading and in the organization of cooperative and other marketing organizations. There was the policy, also, of governmental assistance both in

organizing producers' cooperatives and in supplying them with technical and financial aid. Other proposals were made for the financing of surpluses so that they might be held until the market might absorb them; thus, through revolving funds public support would be placed

at the disposal of producers.

Another form of public intervention advocated was that of guaranteeing a price for farm commodities sold for domestic use and dumping the surplus in the world markets. The cost of such a program would be borne by various taxing devices as proposed in the plans urged upon the nation; the price would be fixed at a point resulting in the parity with the prices of other commodities that allegedly had been attained in a prewar period. Some individuals recognized that these proposals would necessarily lead to demands for restrictions on production, but in general this implication was not explored or debated until the experience of the Farm Board revealed the urgency of the question.

Land-Use Problems

In addition to these types of action under consideration, other developments were taking place in agriculture during the postwar period.⁶⁷ In various agencies, notably the Forest Service, the B.A.E., the Bureau of Soils, in some of the land-grant institutions, and here and there among persons not connected directly with agricultural administration but concerned with regional planning, interest was increasing in landutilization studies, in problems of soil erosion, and in an ecological approach to natural resources generally.⁶⁸ After two centuries of emphasis on disposal and settlement and following the questionings by isolated individuals in the past of the wisdom of our policies, we were, through these pioneers in the study of land-use problems, at last beginning to see the point of F. J. Turner's prophecies about the passing of the frontier. The conservation movement had laid a basis for action in the development of ideas of forest management and the growth of public forests; soil surveys were being extended slowly by the joint administration of the United States and the states. Here was another, but lessdramatic and less-understood, approach to agricultural problems. This approach, too, involved governmental action, and when it pointed to the regulation of land use by the private owner as well as improvement

⁶⁷See Alice Christensen's study for an account of the struggles over farm-relief legislation in the period. A most valuable appraisal of American agricultural policy during the twenties will be found in a book by Persia Crawford Campbell, an economist trained in Sydney, Australia, and the University of London, *American Agricultural Policy* (1933).
⁶⁸See below, pp. 132-41 ff.

in the management of the public domain, ⁶⁹ it challenged ancient conceptions and practices as much as would other forms of restriction that might be undertaken in the interest of price and markets. The two currents of influence were to come together in later years; but during the twenties the farm-relief movement drew rather on the ideology and assumptions of industrial experience, with its emphasis on tariffs, in the search for some device that would give to agriculture, sending a surplus into world markets, an equivalent to the protection given to industrial producers by tariffs. A direct attack upon this problem through an effort to eliminate special advantages, such as tariffs, and to combat "sticky prices," was not undertaken.

69 The Department's desire to take positive action was reflected in the effort to have transferred to it the Reclamation Service and the Land Office from the Department of the Interior. See the testimony of Secretary Henry C. Wallace before the Joint Committee on Reorganization of the Administrative Branch of the Government, Hearings on S. J. Res. 282 (67th Cong.), 68th Cong., 1st sess., especially pp. 277–79.

CHAPTER 4

POLICY AND EFFORTS AT INTEGRATION: 1929-39

The PROGRAM OF FARM RELIEF finally adopted in 1929¹ resulted in the establishment of a Federal Farm Board with authority to create commodity stabilization corporations and to recognize and collaborate with farmers' cooperative associations. The Board consisted of nine members, including the Secretary of Agriculture. It was authorized to make loans from a revolving fund of \$500,000,000 to cooperative associations and to the stabilization corporations. The Division of Cooperation in the B.A.E. was transferred to the new Board and the Board was charged with investigations and the formulation of advice on the problem of overproduction and the possibility of diversification.² The Board was thus an additional organ of agricultural policy-making for the Hoover Administration, linked to the Department through the Secretary of Agriculture as well as through the personnel recruited from the Department.

CONTINUITY AND CHALLENGE

Roots of the A.A.A.

We have seen that thoughtful observers were agreed that efforts to adjust agricultural to general economic conditions through marketing devices would be inadequate without controls on production. When the Farm Board program, therefore, proved inadequate in the continued depression, when an appeal by the Board and Secretary Hyde for voluntary crop reduction was without result, then, since public intervention had been obtained for other corporate interests through tariffs and the Reconstruction Finance Corporation, a further development of agricultural policy was adopted in the Agricultural Adjustment Act of 1933. Here again there was no sharp break with movements and ideas that had been developing throughout the postwar period. Statis-

¹The Agricultural Marketing Act of June 15, 1929.

²The Act is summarized by Davis op. cit., pp. 125-36. He remarks: "The virtue of the measure is that it seeks to increase farmers' incomes, not at the expense of other classes, but by improvements in the marketing process, along with which must almost necessarily be developed, as a condition for success, some control of output, I believe the principle is sound, however imperfect the means may prove to be. I am hopeful that good will come out of it, but I feel that no such measure can fully meet the real requirements of our agricultural situation, to say nothing of farmers' hopes."

tical measurements of prices and costs "beyond the fences" had been developed early in the twenties by the B.A.E.; individual officials had been called upon freely by congressmen for assistance in the drafting of legislation, despite the opposition to various farm-relief measures by the Secretaries and Presidents of the time; and some officials themselves had worked out proposals. W. J. Spillman, who had had a long career first in the Bureau of Plant Industry and then, after a break with Secretary Houston, in the B.A.E., published his *Balancing the Farm Output* in 1027.⁴

M. L. Wilson, one-time division chief in the B.A.E., from his firsthand knowledge of the Northern Great Plains as farmer, county agent, and teacher at the Montana State Agricultural College, had become familiar with the wheat problem there (perhaps the earliest and most critical of the agricultural problems of postwar times). He was influential in the drafting of the 1933 Act and he was also responsible for administering, in its first year, the Wheat Section of the A.A.A., through the administrative policies of which he was to exert a continuing influence after his translation to other tasks. Chester Davis. also familiar with the Northern Plains, at one time Commissioner of Agriculture in Montana, active in the farm-relief pressure organizations, appeared also in the A.A.A., as did Howard Tolley, who entered the civil service of the Department in prewar days and later was a member of the staff of the B.A.E. It may be added that Frederick Lee, Senate Counsel during the period of farm-relief legislation and thus active, by virtue of his office, in the drafting of the innumerable measures and amendments, was appointed a special and private counsel by George Peek when the latter became, by choice of President Roosevelt, the Administrator of the A.A.A.6 Charles J. Brand, who had been the first chief of the Bureau of Markets established under Secretary Houston, became Coadministrator of the A.A.A.7

^{*}The nature of these indices, as well as their interpretation, continues to be a disputed matter not only among agricultural economists but also among the various statisticians and economists in other departments of government, some of whom feel that they are weighted in favor of the farmer through the items included and the period selected to represent "parity" and "equality" and "balance." This is, of course, a question of great importance to the student of administration as political systems become more "corporate" and "interventionist."

⁴See especially chap. vii, "The Limited Debenture Plan."

⁵He became Assistant Secretary in 1935 and Under Secretary in December, 1936.

⁶Peek (with Crowther), Why Quit Our Own?, pp. 109-11.

⁷Note the interesting discussion of the relation of agricultural economics to practical affairs presented at the annual meeting of the American Farm Economic Association in December, 1938, and published in the *Journal of Farm Economics*, February, 1939, pp. 1–30. Included in this discussion are papers by Dean Carl E. Ladd, of the New York State

Activities Appraised

Before this discussion of the evolution of the Department of Agriculture is completed with a brief account of developments during the New Deal period, attention should be called to the distinction frequently made between the "old" Department and the "new"—the line of demarcation being drawn through the year 1933. The same assumption underlies the reference sometimes made by critics of the Department to the "legitimate" functions of the Department-that is, only those that it is presumed to have had before 1933—in contrast with "action" programs of presumed later origin. Those who speak of legitimate functions refer generally to research activities, which would benefit farmers after interpretation and transmission through the state experiment stations and the cooperative extension service county agents and home-demonstration agents. The fact that even the supply of information based on research thus undertaken through public authority and with the support of public funds is a deliberate intervention by the public into the life of individuals is as much overlooked as it is important.

But a more serious omission of those who speak of legitimate functions is the group of activities that we have named "the facilitation of production and marketing." This is a most important point for the student of administration. Through assistance in the determination of standards and grades that delineate identity and quality and through the policing of those standards and grades, including the supply of impartial inspectional services to buyer and seller, a system has developed in which "coercion" and "voluntary acceptance" are mingled. This

College of Agriculture, Cornell University ("Contributions of Agricultural Economics to Farming"), Howard R. Tolley, Chief of the B.A.E. ("Contributions of Agricultural Economics to the General Welfare"), and the comments on both papers by H. C. M. Case of the University of Illinois and John D. Black of Harvard University. The latter commented on the parts played in the development of recent agricultural policy by men of affairs and agricultural economists (p. 26). "A little contemplation will convince anyone that, in the great surge toward collective action in the agricultural economy of this and other nations since the World War, the economists generally have been considerably behind the lines of battle—many of them engaged in rear-guard fighting. Not only the drive toward action but also the major part of the thinking about effective lines of action has come from outside the strictly professional ranks—from men like the two Wallaces, George Peek, Chester Davis, Governor Lowden, Alexander Legge, Edward O'Neal, even Rexford Tugwell if you like. This is in spite of the fact that in this particular case an unusual amount of aid has been rendered by several professional agricultural economists—Dr. H. C. Taylor in the days when he served with the elder Wallace, M. L. Wilson, H. R. Tolley, and L. C. Gray; in the field of agricultural credit, W. I. Myers and F. F. Hill. 'Cock-eyed' and 'screwy' though we economists may dub many of the ideas of some of these men, they have nevertheless set the stage and written many of the parts in the drama of agriculture in the last sixteen years."

system, furthermore, is of great importance to producer, processor, distributor, and consumer. As previously stated, such services actually widen economic opportunities and positively add to the wealth and standard of living of the community; that is, of course, provided the administration is marked by absolute integrity, adequate technical training and standards, and the use of persons of knowledge and honesty in such a way as cumulatively to build up their experience. Here again it may be stressed that the use either of research and information or of such services to marketing—when made available to those engaged in economic activity under a price system—will tend to coerce and regiment both the initial user and all others participating in the price system. The farmer will be forced either to adopt the farm practices—including selection of seeds, treatment of soil, implements, and other devices that the more enterprising and experimental select—or to go under from the effect of a lower-cost competitor if the newly introduced practice represents a means of producing more or better commodities at a smaller cost.

Departmental Relationships

The marketing activities related the Department to state departments of marketing and of health, as well as to experiment stations and extension services—a fact frequently overlooked. The fact, too, that there is sometimes little working relationship between state land-grant institutions and state administrative departments is important. Furthermore, the extensive management duties of the Department relating to national forests and its authority over other aspects of forestry and of public roads gave it important responsibility for an element in state and local governmental services and policy that was to become increasingly significant. Here also the "legitimate" functions extended beyond research and were not channeled through the "old" system of grants administered by the land-grant institutions. Finally, the development of research into problems of income, cost, and price, of the rural community generally, and of population trends, and then the emergence of farmrelief plans from various organizations brought the Department—and even more strikingly the Federal Farm Board-into continuous relations with various organized groups of producers, processors, and distributors. The Department's growing responsibilities in the administration of regulatory statutes had a similar effect.

The tendency of the traditional political government to deal more and more with organized groups, which has become world-wide, raises

the question of the status of consumers in such a system. Consumers, as such, are rarely organized. It may be argued, however, that government in general may be said to be an instrument through which the consumer seeks representation. This argument, in fact, raises a question for the political philosophers: should a department serve an "interest" or "the public"? The difficulty of answering the question is reflected in the practical everyday problem facing the officials in such a department, since every exercise of discretionary power is examined sharply by the agents of a special interest. Certainly the farm organizations have claimed the sponsorship for the development, as well as for the establishment, of the Department. At the same time, its expansion has been justified on the ground of a general public interest in the prevention, for example, of a future food or timber famine. We have noted that the Department has been given the responsibility for enforcing some statutes that, on superficial view and in practical application, have required a protection of the consumer against the farmer-producer and against the processor and distributor of farm products. Again, what really is the "agricultural interest"? It is not one but a bundle of interests, of diverse processes and organizations, of short-time and long-time interest conflicts, of regional and commodity divergences. Even in the adoption of farm legislation in 1862, Mr. Ross points out, "the farmer was land conscious but not class conscious . . . the reformers had no inclusive purpose but constituted more or less united and effective pressure groups of agitators for special objectives rather than a compact farm bloc committed to the security of the occupation as a whole." He concludes, "The present necessity for an agricultural new deal, of some sort and degree, is due largely to the incompleteness and ineffectiveness of that of the Civil War."8

Emerging Issues

Since 1932 public attention has been centered upon the New Deal program as marking a sharp reversal in trends in governmental policy; nevertheless, the more we study the evolution of agricultural policies the more we are impressed with their continuity over an extended period, notwithstanding changes in party control of government. Changes occur, but the new policy will be found to have roots in some undramatic research, fact-collecting, information-providing, or similar "noncoercive" activity that actually plays its eventual part in coercion because the new information becomes a weapon in the struggles of pressure groups.

^{8&}quot;The Civil War Agricultural New Deal," Social Forces, October, 1936, p. 104.

Civil servants assigned to the task of analysis come upon situations in which a public interest is discovered because hitherto it had been no one's business to study them. In this evolutionary process the functions of government are changed, but it is rarely foreseen that future adjustments will be required between units of government. Thus, the Department's earlier functions had brought it into closest relations with state experiment stations, later, with state extension services as well, and through both with state colleges of agriculture. The development of the forestry program related the Department to state conservation or forestry departments; the marketing services, to state market departments; the food and drug regulatory work, to state departments of health or of markets. The latter two services, also, had made the Department's work of importance to the consumer.

The later trends, noted above, based upon a concern for farmers' incomes, hardly fitted into the older scheme of national-state relations. The relationships of the Farm Board were illustrative of the corporate state into which all the states of the world were, in some degree, passing, for it dealt with cooperative associations and commodity stabilization corporations. The areal expression of these groups was not by states but by regions determined by soil and climate: the Cotton Belt, the Corn Belt, and the citrus, dairying, wheat, tobacco, and cattle regions. Furthermore, this new orientation toward questions of parity income would bring the corporate interest of farmers, processors, distributors, exporters, and retailers into direct conflict with consumers and with other groups of producers. Finally, the impact of any policies affecting farm income and especially land use upon township, county, and state government would be of great force.

We have noted the recognition by a few pioneers of the need for a comprehensive land policy which would, in an earlier day, have controlled disposal and settlement in terms of some standard based upon research and investigation—an ideal envisaged by John Quincy Adams, by Abram Hewitt, and by Major John Powell. Land-use functions, however, were scattered among several departments; no staff agencies had been developed by President or Congress to formulate a considered and unified program. In the states and local units little attention had been given to these matters, although there had been isolated and partial accomplishments, such as the establishment of the Adirondack and Catskill reserves in New York State and, late in the twenties, the county zoning program in Wisconsin.

The importance of the land-use approach is that it would come at

the agricultural problem from a public viewpoint; that is, from one that of necessity would reflect basic and interdependent factors of settlement: available tax base for necessary public services, relation of best use to available markets, and the integration of local, state, and national services and powers. We need not emphasize, however, how alien such an attitude has been to the American tradition of land speculation and how greatly such a program is dependent upon a well-educated, experienced, and honest personnel in local, state, and national governments. Such an attitude implies a theory of federalism that emphasizes coordinated and integrated action instead of antagonism. While this approach has been envisaged by a few pioneers in research in public law and political science, in general the basic groundwork in the more important subjectmatter fields, such as agriculture and public welfare, had yet to be blue-printed by the time of the depression.

The depression was to force attention to questions of nutrition (and consumer needs generally) and to the great numbers of rural people who were in particularly severe distress. Neither of these questions had received the attention that had been given to problems of production. Work had been done in both fields in the B.A.E., which had given some attention to problems of tenancy, for example, and in the Bureau of Home Economics (as well as the Food and Drug Administration), where studies of nutrition, diet, preparation of foods, textiles, and other questions were undertaken. But, in general, here, as in land use, there was no conscious integration of attack and policy formulation affecting all the departmental agencies concerned, much less one reaching out to related functions in other departments.

The American tradition of the farmer as an owner-occupier, and of the laborer and tenant as a person on his way to the higher status, was blended with the general rural distrust of trade unions and social legislation. A few discerning observers had noted that problems of labor and of tenancy would arise at the close of the period when enhanced farm real-estate values might be concealing actual losses in agricultural industry. Yet the traditional assumptions and enthusiasms

⁶I recall conferring with officials of farm organizations at Albany, New York, in the spring of 1919 on questions of administrative reorganization proposed by the New York State Reconstruction Commission, for which I was working, and about Governor A. E. Smith's program generally. They wanted an exception to the general program in favor of the Department of Farms and Markets in order to have it under the control of the legislature directly through the naming of the heads by that body, since up-state rural New York controlled the legislature; through the Republican organization and the constitutional gerrymandering of the legislature; they also opposed the Governor's health insurance and other social legislation, not in principle, but because, as they frankly stated, it would increase their labor costs (although here again agriculture was excepted from the application of the proposals) by the competition of city employment. J.M.G.

were too strongly fixed in the vested interests of trading centers and railroads, as well as in the minds of the American people, to permit much questioning. The consumer had made only the most tentative beginnings in the use of instruments of government as a means of protection from coercion by the market system; yet at certain points, such as in the regulation of milk supply, the consumer was already in conflict with the farmer. The idea of attacking problems of agriculture by moving positively toward a higher standard of health through more adequate nutrition and the use of protective foods had not yet been envisaged as a possible major theme of the Department or of any governmental agency.

We conclude that the functions of the pre-New Deal Department were wider in scope than those generally envisaged as "legitimate" by critics of later agricultural policies and that they related the Department to state agencies and farmer groups not exclusively through the medium of the land-grant institutions. Real problems of integrating the different levels of government existed but, as yet, they were largely unrecognized because they were not present in dramatic form. Nor is it true that "action" was not yet a part of the Department's responsibilities and functions: "action" was achieved either indirectly through the market and price system or, as in forestry, through the management of public lands. The contribution of the Bureau of Public Roads to the automobile industry, through the development of a highway system of good standards by its administration of the grants to the states, was also undoubtedly great.

The relation of activities in the Department and in government generally to land utilization, to farm labor, and to the consumer had not, however, been brought to a focus. Nor was there as yet any adequate refocusing of research and program-making upon the interdependent problems and potential resources of ecological regions. The unimaginative and uninspired conception of federalism continued to prevail almost unquestioned as a system in which the national and state governments, pulling and hauling against one another, were the final definitive instruments through which the American people might undertake their tasks of public housekeeping. John D. Black, in his discussion of the role of agricultural economics—and agricultural economists—to which we have already referred, brings out clearly the point of view of those who believe that research and policy must move into a wider setting and relationship if agricultural problems are to be approached effectively. Note his comments on Dean Ladd's paper: 10

¹⁰ Agricultural Reform in the United States (New York: McGraw-Hill, 1929), pp. 26-28.

Dean Ladd writes in his paper: "The problems of production have been so well solved that great apparent surpluses of farm products have come into existence...." I would prefer to say that if the problems of agricultural production had been solved as economic problemsand they are surely not solved until they are solved economically as well as technologically-these great surpluses would not have come into existence. . . . The truth of the matter is that we still know relatively little, in a scientific sense, about agricultural production dynamics and production adjustments; and concerning the whole theory of collective behavior of farmers as producers. . . . In the period from 1922 to 1928, while the outlook program of the Department of Agriculture was evolving, a program was envisaged of classifying the agriculture of the nation into areas and then proceeding to a production adjustment analysis for each area, with a local organization in each to help make the analyses and then to carry out the adjustment recommendations. One had some reason in those days to think that a body of production economics suited to the larger national economy was in the process of making. We did get the type-of-farming area classification made, but there the program stalled. . . . Market planning, as Mr. Tolley explained, is also a part of the work of the new B.A.E. I could agree with Dean Ladd that we have more to do here than in the field of production—that is, we are farther in the rear. Contributions to collective action in commodity distribution have been made principally along two lines, first the publicly provided marketing aids and services—grading and standardization, price-quoting, market news, etc.; and, second, cooperative marketing. But market planning must come to mean something much more than this: it must include national plans for the utilization and distribution of whole crops, and local plans for economical handling and forwarding of whole products. . . . "The problems of distribution are so baffling," says Dean Ladd, "that thousands of people are ill-fed and ill-clothed." Should he not have said, "millions"—perhaps forty millions? But mere distribution, in the sense of commodity distribution in which Dean Ladd uses the term, will not go very far toward providing these with food and clothing. We shall need to do something about our economic system as a whole so that it gives increasing efficiency of production a chance to keep on increasing, and the products of it to pass freely into consumption. The economists of this day who would serve agriculture can serve it best in many cases by helping to reconstruct the whole economic system in which it is enmeshed; and all good agricultural economists must take some hand in this.

THE NEW DEAL YEARS

Our account of the impact of the New Deal upon the Department's administration is necessarily limited: since we have not yet the perspective that can only result after the lapse of time, it is not easy to detect

what has been most significant. We recognize the fact (ignored by partisans of every faction) that when an opposition party comes into power some activities will be retained, others, discarded. The Department, however, has generally reflected continuity in policy and function regardless of changes in party controls. Moreover, we believe that continuity will remain, since much of the Department's New Deal program was anticipated in earlier research or activity and was rooted in the pressure of important interests. In view of the existence of so many lines of research and so many points at which agricultural problems have been receiving some type of study and treatment, changes will probably come in shifts of emphasis rather than in sharp breaks.

Mention has been made of assumptions widely held among agricultural administrators that played an important part in the past determination of policies. Among them were the assumptions that agriculture was the basic activity of man; that there were certain inherent and superior values in rural life; that these values were best realized in the traditional American owner-occupier farmer type of society and economy. Important assumptions coming to the fore in the twenties were deductions based in part upon these tenets and in part upon observation of general tendencies in American life, in world affairs, and in economic theory. There was, for example, the view that unless the purchasing power of the farmer could be raised through higher prices for farm commodities, commerce, trade, and banking would suffer and would, indeed, collapse.¹¹ There was, too, the complementary view that the individual farmer could not meet the pressure and coercion of the market as the manufacturer could, by closing down and producing less, by laying off men and stopping the buying of materials, thus reducing his expenses and maintaining his prices by limiting his product to what the market could absorb.12

The farmer is the "servant of the seasons," of his ecological setting, of his specialized knowledge, of his status as capitalist with investment in land, buildings, and equipment, of the prices he must pay to protect industry and transport. To obtain a bargaining position equivalent to other groups, therefore, the farmer must act through a collective instrument. Thus, during the twenties interest in cooperative associations of all sorts developed. Then, too, when the view became more widely held

¹¹We have noted this view in William Allen White's discussion of the Coolidge Administration

¹² For an analysis of this problem see Caroline F. Ware and Gardiner C. Means, *The Modern Economy in Action* (1936), especially "The Modern Corporation Destroys Automatic Adjustments," pp. 18 ff. Note the table on p. 24.

that production, as well as marketing, must be controlled and when the Hoover Administration met the depression's downward spirals with tariffs and the R.F.C., the pressure increased for comparable means to enable the individual farmer to protect himself in adjusting his production to available markets. Since markets were national and international, this adjustment required the use of national government; consequently, a problem of constitutional law was presented. The Agricultural Adjustment Act of 1933 was, accordingly, based upon the spending power and the power to regulate commerce among the states, through the device of payment for compliance with production quotas and marketing agreements.¹³

Policy Development Under the A.A.A.

The Act sought to establish parity prices in terms of a base level: for tobacco, the ten postwar years ending July, 1929; for other commodities, the five prewar years ending July, 1914. Accompanying the program were export quotas under an international wheat agreement, distribution for relief of surplus farm commodities through the Federal Surplus Commodities Corporation (a public corporation), loans on commodities, and taxes on the processing of the commodities whose producers would receive benefit payments for compliance with the program. The policy of purchasing submarginal lands, reflecting the ideas of land-use planning. raised the problem of the relocation of those removed from such lands and the development and use of the lands thus retired. These policies obviously involved problems of relief, of local taxation, of changes in the size of farm or ranch units to adapt them to best use, of credit policy, and of water and soil conservation; they embraced many governmental units at all levels. Included in the A.A.A. after a reorganization in 1934 was a Program Planning Division through which appraisal of policies was undertaken in the light of long-time needs and possibilities. The severe droughts and the dust storms of 1934 helped to focus public attention in a dramatic way on natural resources problems, particularly on the plight of the Great Plains region. Soil conservation work had been instituted as part of the program of the Public Works Administration, following the pioneer effort and zeal of H. H. Bennett of the Bureau of

¹⁸The most complete discussion of the A.A.A. program is that supplied by the Brookings Institution, including in its series: Nourse, Davis, and Black, Three Years of the Agricultural Adjustment Administration (1937); Davis, Wheat and the AAA (1935); Harold B. Rowe, Tobacco Under the AAA (1935); Nourse, Marketing Agreements Under the AAA (1935); Black, The Dairy Industry and the AAA (1935); D. A. FitzGerald, Livestock Under the AAA (1935); and Henry I. Richards, Cotton and the AAA (1936).

Soils; in 1935 the work was established in the Soil Conservation Service of the Department of Agriculture, which became one of the largest units of the Department despite the opposition with which its appearance as an operating agency was greeted by those who wished to have this activity assigned to the land-grant institutions.¹⁴

In 1936-37 a grouping of services entitled the Resettlement Administration, which had been gathered from various departments and placed under an Administrator who was also the Under Secretary of Agriculture, was transferred to the Department and became an operating bureau called the Farm Security Administration. The origins of this group of functions included activities of the Federal Emergency Relief Administration and of state relief agencies that administered rural relief; the adjustment of farm debts by the F.C.A.; the subsistence homestead projects instituted in the Department of the Interior under the direction of M. L. Wilson upon his departure from the A.A.A.; some experimental suburban garden cities; the tenancy program authorized under a Bankhead-Jones Act; and the land-purchase and management work which had been instituted in various agencies, including the Land Policy Section of the A.A.A., the F.E.R.A., and the National Resources Committee.

Agricultural Policy and Developments in Other Agencies

Developments in other agencies outside the Department especially important to agricultural policy should be noted. Of course the general banking, currency, credit, and industrial recovery programs affected agriculture, as they did every aspect of American political economy. Prior to taking office President-elect Roosevelt had been working with advisers on various phases of policy. One of his first actions upon taking office was to exercise powers given to the President by a statute passed late in the Hoover Administration to reorganize, within limits, the administrative agencies. He placed functions pertaining to agricultural credit and the relation of government to producer cooperatives, which

¹⁴Some argued—and continue to argue—that research and demonstration work in soil conservation would be better advanced and administered by the procedure of national-state cooperation through grants-in-aid. The program had gotten under way, however, as a part of the general public works program of the time and supplied a dramatic example, fairly easily grasped, of the way in which people could be put to work on projects that would add to the basic wealth and productive power of the country. In fact, the Soil Conservation Service was allocated, in an early draft of the legislation by which it was given statutory authorization, to the Department of the Interior, the head of which was also the Public Works Administrator, who was attempting to get the Department of the Interior recognized as a Department of Conservation. During the passage of the bill the change was made locating it in the Department of Agriculture. The more zealous advocates of the soil conservation program argued that the militant prosecution of the work would not be obtained under the grant-in-aid procedure.

had been exercised by the Federal Farm Loan Board and the Federal Farm Board, in a Farm Credit Administration. 15 Through a structure of cooperative agricultural credit institutions and by means of farm mortgage adjustments and agricultural financial policies generally this agency, which the President in 1939 placed in the Department of Agriculture, 16 administered an important sector of both the "recovery" and the "reform" programs of the Administration affecting agriculture and banking. The state programs of rural relief of the F.E.R.A., involving as they did questions of land use, farm management, and resettlement, as well as

guidance and advice, directly affected agricultural policy.

In addition to this direct relationship with relief programs, the Department had a major part in the use made of, and the direction and training given to, the Civilian Conservation Corps through the Forest Service, the Soil Conservation Service, and the Bureau of Biological Survey. For several years the Forest Service had been preparing a National Forest Plan in response to a Congressional resolution. Consequently, when the C.C.C. was established, the Forest Service was prepared at once to put great numbers of the Corps at work for which plans had already been made and priorities established. Other relief policies, developed under the Civil Works Administration and the Works Progress Administration, were utilized by the Department in pushing forward water and soil programs, tree planting, rural road construction, and other enterprises that fitted into the general programs of the Department. The Bureau of Public Roads, also prepared by preliminary planning and its equipment in personnel and other resources, was early the major instrument through which the effort was made to bring about recovery by means of public undertakings. Under the policy of expansion in highway grants the extension of national assistance from the "7 per centum" portion to a farm-to-market system was made.

Other important developments in natural resources and public works programs affected the Department, although outside its administration. The long fight for public control and operation of the water-power and nitrate-factory projects in the Tennessee River came to a new stage with the establishment of the Tennessee Valley Authority in 1933—with the emphasis thereby given to a comprehensive regional treatment on a watershed basis of governmental action and planning. Department of

¹⁶ See the President's Message and Reorganization Plan No. 1, Congressional Record,

April 25, 1939, pp. 6576-81.

¹⁵William I. Myers of the Department of Agricultural Economics of the New York State College of Agriculture, who succeeded Henry Morgenthau, Jr., as the Administrator of this agency, was active in the preparation of the plan.

Agriculture programs in the region were integrated with those of the T.V.A. and of the land-grant institutions through a joint coordinating committee on the basis of agreements. In 1934 a Division of Grazing was established in the Department of the Interior to administer grazing policies on the public domain under the authority of that Department. The work of this new unit and the activities of grazing associations under the Taylor Act by which it was established as well as the land-use policies of the Indian Service in the same Department were a constituent part of the land-use activities of the United States and would require integration with the related activities of the Department of Agriculture.

In 1935 the Rural Electrification Administration was established as a separate agency to facilitate, by loans and technical services, the extension of electrical services through the medium of cooperative associations to rural communities.¹⁷ This Administration, like the F.C.A., was also later placed in the Department of Agriculture.¹⁸ Its program obviously was closely related on the one hand to the general prosperity of the farmers it served and their credit resources, and hence to the work of the F.C.A.; on the other hand, its program was related to those of the Department of Agriculture for land use and the facilitation of farm production, to the Bureau of Home Economics, and to the work of the Extension Service.

The inauguration of a water resources program that extended activities beyond the channels of navigable streams into the up-stream "little waters" and into the land areas liable to erosion as part of the flood prevention and control policy brought the Department into working

¹⁸See the message of the President submitting to Congress Reorganization Plan No. 2, Congressional Record, May 9, 1939, pp. 7423-27. The executive orders implementing Reorganization Plans Nos. 1 and 2 as approved by Congress are given in the Federal President Plans 1988, 19

Register, July 1, 1939, pp. 2727–33.

¹⁹H. S. Person, with the cooperation of E. Johnston Coil and Robert T. Beall, Little Waters (for the Soil Conservation Service, Resettlement Administration, and R.E.A., 1935). This is a good example of current advances in the reporting of public questions.

¹⁷A prophecy by Liberty Hyde Bailey in *The State and the Farmer* (New York: Macmillan Company, 1908), p. 57, may be recalled: "It is most interesting to follow the discussions on the means of developing water power: the Mississippi, Niagara, and other great streams were mentioned. This development, of course, is necessary. But rivers are not born as rivers. They originate from a little lake in the mountains, and a rill in a forest, and a spring in the pasture lot. To a great extent, they originate or are supplied from sources on some man's land. This man has the first use of the water. Every farm supplies something to the rivers. Many of them supply living lakes and streams. There are more than five millions of farms in the United States. Every good farm will in time have its own mechanical power. Much of it will be water power. When the farmer develops his water-power, he will also protect his stream or spring. It is more important that we develop small power on a million farms than that we organize power companies or harness Niagara."

relations with the Army Corps of Engineers. Thus, the Flood Control Act of June 22, 1936, extended the responsibilities of the Department further in the land-use field at a point hitherto reserved as sacred to the War Department. Finally, the Department's activities reached out beyond national lines: in the negotiations over policies affecting world production and markets in farm commodities and in the formulation of trade agreements, it had great interests at stake that had to be related to other major interests in a delicate adjustment and balance affecting every phase of our domestic and international policy.

The Shift from Emergency Policies

Although we reserve for later appraisal²⁰ the evolution of programs associated with the A.A.A., we may note here the shift from emphasis on the emergency aspects, with the resulting concentration on the prices of selected commodities, to a policy based upon more fundamental considerations of adjustment of farming to the best use of the land.²¹ This change was approached through a research program of the Program Planning Division, which included studies of land use undertaken by farmer county committees and the state agricultural experiment stations, studies of food needs undertaken by the Bureau of Home Economics, and experiments with more flexible and comprehensive farmmanagement plans based upon best use of the land in selected counties. The purpose of the program was to see how far local adjustments might be made within the framework of standards developed on a national scale to fit national and international markets.

It was the task of administrators, in part, to soften the evil consequences of generalized legislation reflecting the demand of pressure groups for subsidies. They canalized such programs, so far as possible, in such a way as to forward those changes in land use that would facilitate, not retard, best adjustment of use to resources. Hence came the effort to shift payments to a soil conservation basis, to develop an over-all, comprehensive farm plan for each farm instead of a payment relating to commodities, and, through an interesting program of adult education, to bring national and state officials and farmers and farm women into a responsible sharing in the analysis of basic agricultural problems.²²

²⁰ See below, pp. 103-14 and 192-209.

²¹These tendencies antedated, but were greatly speeded by, the decision of the United States Supreme Court invalidating the 1933 Act.

²²See, for example, the pamphlet by Bushrod Allin of the Program Planning Division of the A.A.A., "Soil Conservation—Its Place in National Agricultural Policy," published in May, 1936, by the A.A.A., in which the shift in objectives is discussed, pp. 24–27.

It is also significant that in the administration of the A.A.A. local committees of farmers were employed: here again is an illustration of the integration of a vocational group with the general structure of government and a device of greatest interest to the student of administration. Another innovation was the establishment of a Consumers' Counsel in the A.A.A.²³ Part of the task of reaching some balance, compromise, or integration among the various interests was transferred from parties and legislatures to administrative agencies; indeed, some measure of legislative power was delegated to the latter.

THE RESULTING STAGE IN 1939

We believe that the Department, as something more than a collection of semiautonomous bureaus, had, by 1939, "come of age" as a Department.24 Both the development of its activities and the national political economy have brought not only one bureau into important relationships with another but also have brought the Department as a whole into important relationships with other departments of the national government and with state and local governments as well. These activities have expanded beyond the scope of research and information; indeed, they were never so confined, when one recalls that the land policy of the national government was for a century its most important contribution to agriculture and was, furthermore, most decidedly an action policy. Since the activities of the different units are so sensitively interdependent, the Department is potentially much more an organism, and in its relation to other departments and to other levels of government it is much more a part of a larger organism. Provision must therefore be made for the resultant organic needs, which center in the development of policy, in the making of plans, and in their execution through programs and priorities. This necessity was reflected in the 1938 reorganization of the Department in the Mt. Weather Agreement 25 covering part of its relations with the states and in the general reorganization plan covering the national government as a whole. The bitterness with which some of these developments have been debated reflects less a disagreement over devices than our failure to realize the revolution that has been taking place in our political economy since the Civil War. Such bitterness further reflects our failure to realize the adjustments in instruments of public

 ²³ See below, pp. 202-7 ff.
 24 We discuss this point in detail in Part III; here we only call attention to the way in which the historical evolution of activities forces a reconsideration of organization and relationship at this time.

²⁵See below, p. 157.

housekeeping that are necessary if the public interest is to be discovered and served.²⁶ Against this background can better be understood the establishment in the Department of the Office of Land Use Coordination; the assignment to the B.A.E. of the responsibility for research on program and plans; the establishment of working relations with other departments through the National Resources Planning Board and the Central Statistical Board; the emphasis on regional and on comprehensive farmmanagement approaches to problems of production and land use; the recognition of problems of farm labor and of the more disadvantaged groups in agriculture; and the appearance of new slogans, such as "the ever-normal granary" and "democracy in administration."

Some factors explain, too, the strains that have accompanied this period of adjustment. No longer is the personnel so largely recruited from the land-grant colleges; some of the new programs have been associated, in part at least, with the coming of personnel from urban universities and from nonrural interests and background. The exemption of some of the new agencies from the application of the Civil Service Act, and their establishment at a time when a party had come to power hungry for jobs after a long period in opposition, contributed to suspicion and bitterness, for agriculture is a field of government that in the Northeast and Middle West had been associated with the Republican party dominant since the Civil War. Difficult adjustments had to be made with other departments and agencies: in matters of credit and finance, with the F.C.A., the Treasury Department, the R.F.C., and the Federal Reserve System; of marketing, with the Department of Commerce and the Federal Trade Commission; of relief, with the F.E.R.A. and its state and local affiliates and successors; of land use, with the Department of the Interior and the War Department; and in the administration of the A.A.A., the Soil Conservation Service, and the F.S.A., with the land-grant colleges.

Another cause of difficulty and friction was the neglect, with few exceptions, by local and state governments of adequate land-use planning, so that they might be in a position to fit national programs into an already developed scheme of local and state programs and priorities. Here again we find illustrated the need for the study locally of local resources and problems in relation to the possible adaptation of state and national powers, resources, and policies to the realization of local

²⁶ See, for example, Ware and Means, op. cit., chap. xi, "The Role of Government"; Zoltan Magyary, *The Industrial State* (1938); and Ernest Griffith, *The Impasse of Democracy* (1939). See also below, pp. 275–88.

improvements and policies generally.²⁷ Local and regional planning—and the research of the many scientists necessary for their success—must utilize the resources of every level of government and relate them all to the ecological pattern.

²⁷See National Resources Committee, Regional Factors in National Planning and Development (1935). See also below, chaps. 8 and 17.

CHAPTER 5

INFLUENCES ON THE EVOLUTION OF THE DEPARTMENT

The HISTORY of the Department illustrates the presence of factors that seem to influence the evolution of activities and of structure. Consequently the resulting organization may appear to be planless and illogical, yet during the process of growth, adjustments and accommodations may be made that mitigate potentially evil effects—although surgery, as well as internal medicine, may be required.¹ In any event, the student of administration will find in the influence of these conditioning factors some explanation of the nature of a department.

ENVIRONMENT

The most basic factor is the influence of changes in the natural and social environment upon the activities of government and the ideas that people have about them. Thus, the development of rapid transportation and of refrigeration creates a demand for market services to producer and distributor. Public forestry policies are affected both by the clearing of forest lands by man and by beliefs in a future timber famine. Although such beliefs may rest on inadequate knowledge, they are of political importance. Again, a conception of our political economy as one in which the farmer performs the basic and fundamental role as both producer and consumer influences the course of legislation. Furthermore, when aspects of the natural and social environment are registered in catastrophes, such as floods, dust storms, droughts, epidemics, mass unemployment, or foreclosures, the process is hastened of creating consciousness in "private" individuals of a "public" question, and action through government is generally more quickly adopted and in more drastic ways.2

These influences are registered through four groups, especially the or-

Administrative Management (1937), especially pp. 36-38.

²I am sure that my own interest in forest policy is colored (literally!) by my recollection of the leaping mass of fire in the forest as it approached our camp in the Adirondacks

when I was a small boy. I.M.G.

¹Surgery—a sudden and comprehensive reallocation of activities and agencies—may do serious injury to administrative health if there is failure to note the internal adjustments, made over a long time. Note the warnings concerning this in Meriam and Schmeckebier, op. cit., especially chap. vi, and Report of the President's Committee on Administrative Management (1037), especially pp. 36–38.

ganized interest or pressure groups and the civil servants. The two groups named have this circumstance in common: both are in closest touch with a subject-matter field and can record most quickly changes that go on in that field. Under modern conditions of complex social organization the civil servant is the nearest to an agent of the whole public in his ultimate function of looking out for the public interest not only in the administration of existing law but also in observing social changes.³ Furthermore, one cannot understand a great government department in terms of its functions unless one also includes as a determining factor the work of pioneer civil servants. Organized interest groups are also sensitive to the impact of developments on the special interests of their members. Thus, the regulation of meats has been due, in part at least, to the pressure of interests desirous of reopening foreign markets to American products. The establishment of various research stations has been fostered by the growers of commodities who would profit by the resulting information. Again, the development of programs of subsidy in various forms has been pressed by those who would be favored.

A third group consists of those persons who may not be civil servants or may not be associated with a special interest group but whose civic interests, imagination, opportunities, and personalities lead them to become aware earlier than most of us of an emerging public problem. The work of John Muir in the conservation of national forests and parks is an illustration; sometimes pioneer work is done by an association in

⁸We have already noted the influence of civil servants whose researches have led them to diagnose the approach and arrival of problems whose solutions call for collective action through government. This responsibility has come to be recognized, as illustrated by the following comment made during debate on flood control appropriations by Representative Snyder: "Up in Pennsylvania 60 years ago or 70 years ago, or maybe 50 years ago, our grandfathers thought they were getting rich by cutting multiple millions of feet of timber and taking it to market. Today we have hillsides that are bare of shrubbery by tens of thousands and hundreds of thousands of acres. For every dollar in value of timber they took off the hills in California and off the hills of Pennsylvania, future generations will have to spend \$10 to put it back to get to a place where it is as serviceable as it was before.

"I blame somebody for that, and future generations will look back to us and they will blame us for a lot of things we did not do, and rightly so. I am blaming somebody in the Department of Agriculture down here 20 years or 30 years ago, if they had such a Department then, for not having enough fight in them to do what these gentlemen have been fighting for in reforesting these hills and soil conservation. So, I hope this generation and the Department of Agriculture will have enough fight in them to put up a fight until you get something in this particular field of reforestation." War Department Civil Functions Appropriation (1939), pp. 197–98.

*This sensitiveness is magnified by their paid officials in the national capital and state

⁴This sensitiveness is magnified by their paid officials in the national capital and state capitals, or in the commercial, financial, and industrial centers of the nation, who are naturally eager to maintain the membership of the group, to enhance the prestige of the central office, and to insure the favorable attitude of members toward their own conduct of the secretariat.

which no one person is predominant and the interest of which may approach that of a specialized pressure group. A number of women's organizations concerning themselves with current problems of public health, of nutrition, and of consumers' standards illustrate this role of associations.

"Influence is not government," however. The influence and knowledge of pressure groups, civil servants, and civic organizations and pioneers must be registered and legalized through statute to affect the functions of a department in any continuing and fundamental way. Hence, as a fourth group political leaders in Congress, the presidency, and the secretaryship must be included among the important forces contributing to the functional meaning of the Department. In this connection we recall Senator Morrill and Representative Lever; Presidents Lincoln, Wilson, Theodore and Franklin Roosevelt; and among the Secretaries, Wilson, Houston, and the two Wallaces. The function of the political leaders is one of evaluation and appraisal of ideas and pressures. Both the stage of social and economic development and the interests of regions, classes, vocational groups, and parties are reflected in the policies and the legislation promoted by such bodies.

CONSTITUTIONAL POWERS

A second major conditioning factor in the evolution of the activities of the Department is the distribution of constitutional power between the state and local governments. At times, indeed, the legitimacy of a national Department of Agriculture has been questioned on constitutional grounds. It may be recalled that it was established only after the political victory of the Republican party and the departure of the southerners from Congress; the fact that perhaps its major expansion occurred during a Democratic administration starting in 1932 will not disturb the student of American party history.

The constitutional setting has, however, conditioned the development of the Department by basing its functions either upon the power of the national government to tax, to spend money for the general welfare (subject, of course, to specific prohibitions or those implied by the Supreme Court), to own property (as, for example, the national forests and wild-life refuges), or to regulate commerce. The powers to maintain post roads and to fix standards of weights and measures have also been used. It is interesting to observe that in the flood-control program developed since 1932 the Department of Agriculture has cooperated with the War Department and that ultimately both have participated in this

activity through the commerce power, from which the authority of the national government over navigable streams is derived. The spending power has made possible an extension of activities through grants-in-aid to the states for various purposes and also through the offering of payments to individuals in return for compliance with certain regulations.⁵

The exercise of powers by the national, state, and local governments is also affected both by the availability of financial and other administrative resources adequate to the problem attacked and by the coercive conditions that have led to a movement for protection or countercoercion through government. Thus, the management of a farm "within the fences" is obviously of local concern—largely that of the individual owner; but he may be dependent upon prices for his product which passes out his gate. These prices coerce him in determining his own farm-management plans, and he cannot countercoerce them through his local or state governments if other growers of the commodities he produces and sells are scattered throughout several states. Reference to the influence of the distribution of constitutional powers is made, therefore, with this setting in mind.

ADMINISTRATIVE RESOURCES

A third conditioning factor is the availability upon any occasion, when the possibility of a new activity of government is being discussed, of resources for administering the proposed function. The development of a great system of automobile highways was pushed most by urban automobile owners and by automobile manufacturers, and the central interest at the time was hardly that of the rural sections of the country. Yet the presence in the Department of the Office of Public Roads made it seem the natural unit of the national government through which the federal-aid highway system should be inaugurated. Similarly, the existence of the Forest Service, with its unique body of trained foresters, made it the natural agency to administer national forests, even though this meant their transfer from the national domain administered by the Land Office of the Department of the Interior. The existence of the laboratories of the Bureau of Chemistry, in which food-analysis work had been undertaken for some time, made the Department a logical place for the administration of the Food and Drugs Act. The existence of a

⁵This last power was, of course, called in question by the Supreme Court in the famous *Hoosac Mills* case. In view of later judicial decisions its constitutional status is not clear but is generally considered well established.

staff of scientists in the Bureau of Animal Industry made that agency the logical one for the task of meat inspection.

Personalities, of course, have also played a part in this allocation of functions. One cannot leave out of the total account the influence that the friendship of Gifford Pinchot and Theodore Roosevelt had on the development of the Forest Service. Nor can one overlook the fact that Mr. Wiley personally had become a symbol of their cause to those urging the passage of the Food and Drugs Act. Particularly in the borderline cases, when a new activity may be allocated with almost equal reason to any one of several departments, the factors of personality and existing administrative resources are of great importance. While the personality factor has undeniably been present in the evolution of the Department, it has probably not been so important as perhaps in the history of other departments. Here it has been dissolved because a corporate factor—the influence of the land-grant college training and tradition—has been overwhelmingly strong. Most of the personnel of the Department who have wielded a major influence, including most of the scientific workers as well as a majority of the secretaries themselves, were guided in their formative period by the land-grant college tradition. There has been a tendency, therefore, to subject the evolution of functions to criteria evolved from that tradition. Even in 1939 after several years of extensive legislation that went beyond what many hold to be "the legitimate functions of the Department," the Department was hastening to bring its activities and procedures into as close an integration with the traditional national-state arrangements as practical.

* * *

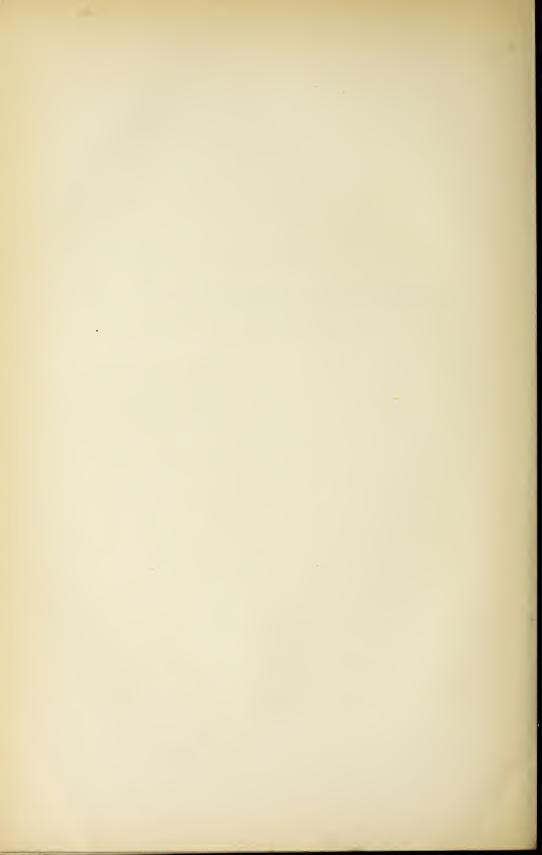
In this historical account of the Department's evolution and of the factors conditioning it, a description of the gradual and atomic accumulation of the Department's activities and agencies has been unavoidable. Such a description may conceal groupings of activities that will at once help us to discover the true nature of the Department and indicate its chief problems of administration. Are there, in fact, such major groupings of activities? If so, the important administrative tasks are to see that the various administrative units are related effectively in these activities and that all the materials needed in the preparation of policy in the Department are currently available; to see that the Department's share in these activities in relationship to other departments and to other levels of government, notably the states, is adequately recognized and implemented; to see that the Department is equipped to participate effec-

tively in the development of the policy of the Administration as a whole; to present to Congress an intelligible account of its stewardship; to carry out the duties placed upon it by Congress and President; to meet the standards of just enforcement upon the review of its actions by the courts; and to mediate among the innumerable separate interests affected by its responsibilities in the formulation, within its discretionary powers, of a national agricultural policy.

The conception of a department as an organic and integrated administrative entity instead of a somewhat casually assembled collection of technical services is relatively new in American government. It carries far-reaching and basic implications for the organization of a department in such a way as to reflect these organic functions and for the nature of the positions for which its personnel must be recruited, classified and, after entrance, trained. We turn, therefore, to an appraisal of the basic groups of the Department's activities that constitute actually or potentially the major themes that should determine the Department's organization and procedures, its part in the formulation of collective policy, and its relationship to regional, state, and local problems and policies under our constitutional system.



PART II Substantive Activities of the Department of Agriculture



CHAPTER 6

ACTIVITIES AS THE CORE OF THE DEPARTMENT

THE EXECUTIVE DEPARTMENTS of the national government are, in contemporary jargon, "action agencies." They may exercise their coercive power indirectly, as through research and the publication of the resulting conclusions, or directly, as in the regulation of rates and standards that fix the plane on which individuals may compete for the public's favor and trade or as in the administration of public forests, docks, or post offices. Sometimes students of law and administration, in their zeal to explore questions of procedure or problems of managerial technique, may seem to forget the purposes, rooted in the political economy of the time, that have called an administrative agency into existence and that continue always to condition its life.

To understand the nature and problems of the Department, we must supplement our account of its evolution with a cross-section analysis of its substantive activities and of the line agencies¹ that administer them. Are the Department's activities a casual and unrelated aggregation? Or is there actually or potentially an organic quality recognized and given treatment through instruments of policy-making and management adequate to the resulting external and internal relationships? We have argued that the Department's history reflects important changes in the natural and social environment of the United States. The expansion of government generally has reflected these changes. More detailed analysis of the Department's current activities should enable us better to appreciate its administrative problems and the efforts to solve them and should throw light upon the nature of the Department generally.

In discussions of the Department's current activities terms are frequently used, such as "legitimate functions," "action programs," and other phrases, that suggest a sharp break with the past and perhaps a challenge to an earlier, more organic and unified Department. The cate-

¹We use the term "line agency" as employed by Luther Gulick in his essay, "The Theory of Organization," in Luther Gulick and L. Urwick, Papers on the Science of Administration (1937), p. 31; by Urwick, ibid., pp. 57–59; by Leonard D. White in Introduction to the Study of Public Administration (rev. ed., 1939); and by John M. Gaus in "A Theory of Organization," in John M. Gaus, Leonard D. White, and Marshall E. Dimock, The Frontiers of Public Administration (1936).

gories used in an official publication describing the Department, first issued in 1930, are of interest.²

All the Department's ordinary activities—i.e., not including emergency adjustment work—may be divided roughly into six general classes: (1) Research; (2) extension and information; (3) eradication or control of plant and animal diseases and pests; (4) service activities, such as weather and crop reporting, and forest and wildlife refuge administration; (5) the administration of regulatory laws; and (6) road construction. These functions are closely interrelated and interdependent. Research, for example, is not complete in itself. Knowledge gained must be communicated to the public, used in eradicating plant and animal pests, and incorporated in regulatory-law administration. It is as essential a duty of the Department to promote the application of science as it is to increase scientific knowledge. These manifold duties, though not the result of a preconceived plan, did not come about fortuitously. They developed from small beginnings in directions determined by agricultural and national wants and by the growth of science. The Department is not a mechanical creation but a living institution evolving structurally and functionally in a changing world. While the Department of Agriculture is called the farmer's branch of the Government, actually it is much more. Benefits arising out of the Department's expenditures go to the entire public. Much of its work promotes public health and well-being. Its research, by helping farmers to grow better crops and livestock, to reduce their costs, and to market their products more efficiently, benefits the consumer as well as the producer.

The categories thus employed would have to be amended in the light of some of the activities undertaken since 1932. But even for the year 1930, as the quotation indicates, some of these categories are more descriptive of types of procedure—research, information, regulation—than of essential substantive differences.

Stated most broadly, the tasks of the Department center in the facilitation of the production and the marketing of agricultural products (basically, plant and animal products). Such an assignment implies, however, the further responsibility for the public aspects of agriculture in our political economy as a whole, for the well-being of those engaged in agriculture as persons and citizens, and for programs conditioning land use. We shall use, therefore, the following classification in discussing the Department's major groups of activities:

PRODUCTION: soil, plants, animals, protection from hazards, equipment, and production goals.

²Department of Agriculture, The United States Department of Agriculture, Misc. Pub. No. 88 (1934), pp. 5-6.

Land Use: the conservation movement, and land use and the New Deal.

Marketing and Distribution: protection of markets, consumer protection, grades and standards, marketing practices, transportation, adjustment, the consumers' counsel, surplus disposal, and nutrition.

RURAL LIFE: the farm home and the rural community: research, information, and extension; the expansion of research; disadvantaged rural classes; and the Department and rural local government.

FINANCE.

This classification may appear arbitrary. We hasten to emphasize that many lines of interrelationship exist among the departmental agencies to which these activities are entrusted (lines which may be thought of as horizontal on the typical organization chart) and also between the Department at Washington, its own field units, and state agencies (lines which may be thought of as vertical). We should add, too, that many of the Department's activities are such that cooperation must be sought with other departments of the national government. Each line agency has administrative problems common to the other line agencies and may benefit by common services. From our concluding review of the line agencies that administer the substantive activities of the Department, the Department may emerge as an entity additional to and comprehensive of the substantive activities administered by the line agencies, and possessing therefore a function as a Department.

CHAPTER 7

PRODUCTION

RODUCTION HAS BEEN the traditional major interest of the Department. Although no operating bureau is labeled with the term "production," we may say that the very core of the Department historically is to be found in the Bureaus of Plant and Animal Industry —which have continued to occupy the two original wings of the main building. Most of the other operating bureaus—and some of the auxiliary and general-staff services—are outgrowths of these Bureaus, especially of the Bureau of Plant Industry. For many years they had, with the Forest Service, the largest personnel of the Department. We have classified the chief aspects of agricultural production with which the Department is concerned as soils, plants, animals, protection from hazards, equipment, and production goals.²

SOIL

The soils work of the Department was in 1939 undertaken chiefly by the Bureau of Plant Industry and the Soil Conservation Service. Located in the Bureau of Plant Industry, under an assistant chief, were the following divisions: Forage Crops and Diseases, Soil Survey, Soil Chemistry and Physics, Research, Soil Fertility Investigations, and Soil Microbiology. In the Division of Research of the Soil Conservation Service were the following sections: Climatic and Physiographic Factors of Erosion, Economics of Soil Conservation, Hillculture Studies, Sedimentation Studies, Reservoir Silting Investigations, Silting Damage to Stream Channels and Valleys Investigations, Soil and Water Conservation Experiment Stations, and Watershed and Hydrologic Studies.³ In this

¹The subject matter of the Forest Service may properly be considered as a specialized part of the field of plant industry.

Land Facts on the Southern Plains (334); Farmers' Bulletins: Native and Adopted Grasses

Activities of each bureau are reviewed annually in the printed reports of their chiefs. Generally these reports list the publications of the bureau for the year, including papers of the staff published in journals of learned societies and elsewhere. Most of the bureaus also issue lists of their publications available for free distribution. There is also the printed List of Publications of the United States Department of Agriculture, issued by the Division of Publications of the Office of Information. We have cited for most agencies discussed here a few sample publications to convey more concretely the kind of research and in-formational services that they supply; we have confined our selection chiefly to publications or reissues of the fiscal year July 1, 1938, to June 30, 1939.

Sample publications of the Soil Conservation Service are Miscellaneous Publication,

Service there was also a Division of Watershed and Conservation Surveys operating in twelve major regions. The Bureau of Agricultural Chemistry and Engineering also was concerned with soil problems in its Divisions of Irrigation and of Drainage.⁴

The Department's earlier soils work had been conducted largely in cooperation with the states. For this reason the rapid development of the Soil Conservation Service, with its own regional and state experiment and demonstration projects and its effort to stimulate, through appropriate legislation, soil conservation districts, on occasion alarmed some state experiment station and extension officials. By 1939 the Service was establishing but few new experiment stations and demonstration projects and had adopted the policy of working thereafter through soil conservation districts and land-grant institutions. In the reorganization of the Department the Service was assigned functions relating to erosion control, the provision of water facilities, flood control, submarginal land purchase and development, and farm-forestry "to provide a comprehensive land utilization and conservation service for all but forest and wildlife lands." Thus, it became a direct field land-use operating agency of the Department. The integration of its activities with those of other agencies in the field was one of the administrative tasks of the new county agricultural land-use committees.

The basic researches in chemistry, physics, botany, and biology, essential to a study of soils,⁵ and their application to land and water operations conducive to soil conservation required the integration of several units within the Department of Agriculture with the Geological Survey of the Department of the Interior, and with the land-grant in-

for the Conservation of Soil and Moisture in the Great Plains and Western States (1812), Wildlife Conservation through Erosion Control in the Piedmont (1788), Cover Crops for Soil Conservation (1758), Soil and Water Conservation in the Pacific Northwest (1773), Soil Defense in the Northeast, South, Piedmont (1809, 1810, 1767); Circulars: Soil Erosion in the Karst Lands of Kentucky (490); Erosion and Related Land Use Conditions on the Reedy Fork Demonstration Area, North Carolina; and the monthly illustrated journal, Soil Conservation. The Soil Survey Manual, prepared by Charles E. Kellogg of the Soil Survey Division of the Bureau of Plant Industry, describes the making of soil surveys; soil surveys are published by this Division. Other publications on soils in 1938 are listed in the Report of the Chief of the Bureau of Chemistry and Soils, pp. 49–55. For a general presentation of the work of the Soil Conservation Service see Russell Lord, To Hold This Soil, Misc. Pub. No. 321 (1938).

Soil, Misc. Pub. No. 321 (1938).

⁴Cf. its Farmers' Bulletins, Pumping Water from Wells for Irrigation (1404), Farm Drainage (1606), The Border Method of Irrigation (1243), Making Lime on the Farm (1801); Miscellaneous Publication, Rainfall Intensity-Frequency Data (204); and Technical Bulletins, Rate of Flow of Capillary Moisture (579) and Relation of Stable Environment to Milk Production (591).

⁵See Ehrenfried Pfeiffer, "Soil, a Living Organism," in *Bio-Dynamic Farming and Gardening* (1938).

stitutions. This situation was typical of the problem of coordination existing in most of the Department's activities. The new emphasis on soil erosion, however, led to other lines of activity affecting agricultural

production and involving other departments.6

The dramatic and catastrophic floods and dust storms of the thirties affected national policies by stimulating programs of soil conservation. The Department was authorized to cooperate in flood control work, theretofore the exclusive charge of the Army Corps of Engineers. The soil conservation aspect of the work of the T.V.A. was particularly significant, for it was one part of an integrated attack upon a watershed area that included measures of control of water on the land as well as in the channels. The Chairman of the Board of Directors of the T.V.A. Harcourt Morgan (for many years President of the University of Tennessee), who had been a student of soil problems, was aware of the critical stage of soil depletion in that region.8 The agricultural adjustment program reflected also, in the provision for soil conservation payments, the importance of the new emphasis; no activity of the Department depended so much for its successful administration upon a nice integration of the programs of many national, state, and local agencies. We might with equal reason discuss this factor of production—and other factors also—as a part of the group of land-use activities; we return perforce to soil activities in our discussion of adjustment, as well as of land use.

PLANTS

Major responsibility for the production of plants rested at the time of this study with the Bureau of Plant Industry and the Forest Service.9 The organization of these activities was chiefly by plant type; but a few units reflected regional ecology. For example, in the Bureau of Plant In-

Agriculture and the T.V.A.

*See, for example, "A Unified Program of Land and Water Conservation," an address before the National Rivers and Harbors Congress, Mayflower Hotel, Washington, D. C.,

Marketing services of importance to production are the Seed Reporting, Seed Marketing Investigations, and Seed Verification Services of the Division of Hay, Feed and Seed of the Agricultural Marketing Service. See W. A. Wheeler, "Conditions Change in Seed Industry," *The Agricultural Situation*, June, 1939, pp. 19–21.

⁶An introduction to problems of soil erosion and its civic implications may be obtained from Paul B. Sears, Deserts on the March (1935), and Russell Lord, Behold Our Land (1938). See also a discussion of the problem throughout the world by two English Lana (1938). See also a discussion of the problem throughout the world by two English scientists, G. V. Jacks and R. O. Whyte, Vanishing Lands (1939). Note also the review of this book in Land Policy Review, November-December, 1939, by Charles E. Kellogg, Chief of the Division of Soil Survey of the Bureau of Plant Industry.

The Nation's Basic Heritage; issued by the T.V.A., but prepared jointly by the seven landgrant colleges and universities of the Valley in cooperation with the Department of

dustry were the following major subject-matter divisions: Cereal Crops and Diseases, Cotton and Other Fiber Crops and Diseases, Drug and Related Plants, Forage Crops and Diseases, Forest Pathology, Fruit and Vegetable Crops and Diseases, Mycology and Disease Survey, 10 Nematology, Plant Exploration and Introduction, Sugar Plant Investigations, Tobacco and Plant Nutrition, and (reflecting regional ecology) Divisions of Dry Land Agriculture and of Western Irrigation Agriculture. 11

The work of the Forest Service in the field was organized about the regional forest experiment stations and the forest regions through which the national forests were administered. In the Washington office forest research was administered under an assistant chief through the following divisions: Forest Economics, Forest Influences, Forest Products, Range Research, Silvics, State Cooperation, Timber Management, and Wildlife Management. Several divisions in the Washington office of the Service handled the general management problems of the forests.¹²

The Chief Forester, in his 1938 report, emphasized the production needs in forestry estimated in terms of industrial requirements, agricultural needs, supplementary employment for farmers, reproducible raw materials for physical and chemical products, adjustment of forests to regional requirements, to exports, to protection of water supply, to prevention of floods and erosion, to homes and refuges for wildlife, and to human recreation. The relation of forest restoration, rehabilitation, and management to increasing national employment and income was stressed; a program of research and inventory, management of public forests, and the relation of government to private forest lands were discussed:13

¹⁰This unit, whose activities fall within the group we have termed "protection," issues

The Plant Disease Reporter.

11 The listing of publications in the Report of the Chief of the Bureau of Plant Industry (1938) covers pp. 25-37. Subjects (each with several items) were: Cereals; Cotton; Drug and Related Plants; Flax; Forage Crops; Forest Tree Diseases; Fruits; Mycology and Pathology; Nematodes; Nuts; Ornamentals; Plant Exploration and Introduction; Seeds; Sugar Beet; Sugar Cane; Tobacco and Plant Nutrition; Vegetables. Among Miscellaneous Publications listed is M. A. McCall, "The Relation of the National Agricultural Program to Agronomic Betterment," Journal of the American Society

tional Agricultural Program to Agronomic Betterment," Journal of the American Society of Agronomy, March, 1938, pp. 171-78.

¹²Sample publications are Farmers' Bulletins: Forestry and Farm Income (1117), Making Woodlands Profitable in the Southern States (1071), Sawfly Injurious to Young Pines (1259), Use of Logs and Poles in Farm Construction (1660), Production of Maple Sirup and Sugar (1366), Christmas Trees as a Cash Crop for the Farm (1664), The Windbreak as a Farm Asset (1405), Planting and Care of Shelter Belts on the Northern Great Plains (1603); Miscellaneous Publications: The Work of the Forest Service (290), Forestry and Permanent Prosperity (247). See also Price List 43 (32nd ed.), on "Forestry" (Supt. of Documents), and List of Forest Service Publications Available for Free Public Distribution, U. S. Forest Service (rev. February. 1030).

tribution, U. S. Forest Service (rev. February, 1939).

13 Report of the Chief of the Forest Service, 1938, pp. 2-3, 16-17.

There is . . . need for a forest policy recognizing:

- 1. That on the whole this 630 million acres is and probably always will be more valuable in forest than in any other use.
- 2. That this 630 million acres must be adequately protected against damage or destruction by fire, insects, diseases, and quick liquidation.
- 3. That on this 630 million acres adequate forest and other cover must be restored where necessary, and maintained.
- 4. That on part of it—the 462 million acres of commercial forest lands—growing stock and productivity must be built up and maintained.
- 5. That though interests of private owners who comply with the Nation's forest policy must be protected, so must public interests inherent in all forest lands; that in private and public welfare there must be full and continuous use of all products, values, and services forest lands and their resources can and do render locally, nationally, and through world-wide markets.
- 6. That research—including research in utilization and economics in particular—is essential to full and continuous use, and must be so planned and executed as to help make the many wood products and by-products of wood easily and readily available to consumers generally.
- 7. That since the forest resource is inextricably bound up with use of land for other agricultural purposes, forest management and use are integral parts of a unified agricultural pattern that must contribute fully and continuously to local and national social and economic structures.

The plan of action proposed in the President's special message (p. 15) is based on those human needs without which forest utilization is impossible and forest conservation meaningless. Its essentials are (1) public (State and Federal) cooperation with private owners; (2) public regulation of forest land; (3) extension of public ownership and management.

No agency better illustrates the characteristic problem of functional interrelationship than the Forest Service. It cooperates, as we have seen, with the state governments in administering grants-in-aid for forestry and in acquiring and managing public forests; with private owners through protection of their forests from fires, diseases, and pests, research on technical, economic, and processing problems, and the development of farm forests; with the Department of the Interior in the development of grazing policies; and with the C.C.C., the National Youth Administration, and the W.P.A. in administering forestry programs that provide useful work. In forestry the government participates more in actual production and in protecting the possibilities of production by private operators than in any other sector of our economy.

ANIMALS

Functions related to animal production were in 1939 administered through the Bureau of Animal Industry and the Bureau of Dairy Industry, 14 The major divisions of the Bureau of Animal Industry included Animal Husbandry, Animal Nutrition, the Biochemic Division, Field Inspection, Meat Inspection, the Pathological Division, Tick Eradication and Special Diseases, Tuberculosis Eradication, Virus-Serum Control, and the Zoological Division. 15 The Field Inspection Division administered various quarantine laws—an important part of the protective activities of the Department. Meat inspection was a market service. 16 The basic units into which the divisions were organized may be exemplified by listing those of the Animal Industry Division: Beef and Dual Purpose Cattle, Swine, Sheep, Goats and Animal Fibers, Horses and Mules, Poultry, Genetics, Meat, and Extension. The Division's investigations were conducted cooperatively with the Animal Nutrition Division.¹⁷ The divisions of the Bureau of Dairy Industry included Dairy Cattle Breeding, Feeding, and Management; Dairy Herd Improvement Investigations; Dairy Research Laboratories; Market-Milk Investigations; and Nutrition and Physiology. 18

PROTECTION FROM HAZARDS

We have noted that much of the work designed to protect the producers of plants and animals from the hazards of animal and plant dis-

¹⁴To these should be added the Biological Survey, which was transferred on July 1, 1939, to the Department of the Interior. See the Report of the Chief of the Bureau of Biological Survey, 1938, pp. 26-31, for an account of "Research in Fur-Animal Conservation and Utilization.

¹⁵ Sample publications of the Bureau are Farmers' Bulletins: The Making and Feeding of Silage (578), Essentials of Animal Breeding (1167), Livestock for Small Farms (1753), Tuberculosis in Livestock (1069), Anthrax (1736), Country Hides and Skins (1055), Bang's Disease (1704), Feeding Cattle for Beef (1549), Swine Production (1437), Feed-

ling Horses (1030), Range Sheep Production (1710), and Farm Poultry Raising (1524).

16 Market services, such as the administration of grades and standards for meat, milk, fruits, and vegetables, influence production. They facilitate increased production by giving confidence to the consumer in the identity of the commodity and the conditions under which it is processed, and they enable the farmer to aim at producing commodities of greatest commercial value. See below, pp. 160-90 ff.

¹⁷Work designed to improve breeds of animals and plants is conducted in cooperation with the associations of breeders; the role of government may be played without coercion through the supply of an impartial service of registration and inspection, or it may include the enforcement of statutory standards through its own as well as through licensed inspectors maintained by states and associations. For example, the National Poultry Improvement Plan was administered by the Bureau of Animal Industry in cooperation with forty-three states in 1938. See Circular 317-M, Improving Poultry.

18 Sample publications are Farmers' Bulletins: Dairy Herd Improvement Associations (1604), Dairy Cattle Judging (1769); Dairy Herd Improvement Association Letter; see

eases and pests has been carried on in the Bureaus of Plant, Animal, and Dairy Industry. Protection is also the function of the Bureau of Entomology and Plant Quarantine, whose divisions in 1939 included the following: Insect Pest Survey and Information, Bee Culture, Cereal and Forage Insect Investigations, Cotton Insect Investigations, Domestic Plant Quarantines, Foreign Parasite Introduction, Foreign Plant Quarantines, Forest Insect Investigations, Fruitfly Investigations, Gypsy and Brown-tail Moths Control, Insect Identification, Insecticide Investigations, Japanese Beetle Control, Mexican Fruitfly Control, Pink Bollworm and Thurberia Weevil Control, Plant Disease Control, Screwworm Control, and Truck Crop and Garden Insect Investigations. 19 Several of these divisions had their headquarters and staffs located in the area of infestation. Contributing to the protection of production were activities of the Weather Bureau²⁰ located in the following divisions: Climate and Crop Weather, Fruit Frost Service, and Fire Weather Warning Service.²¹

Protective activities require a nice adjustment of research, collaboration and regulation, and delicate and extensive negotiations by the national government not only with state governments and associations but also with foreign countries. Restrictions on trade designed to prevent the introduction of pests and disease are a constant temptation to interest groups desirous of prostituting ostensible public interests to capture

also Report of the Chief of the Bureau of Animal Industry, 1938, pp. 35-37, for publications on Feeds and Nutrition, Breeding, Herd Management and Improvement, Milk and

Cream, Chemistry and Bacteriology, Cheese and By-products.

10 See, for example, the Service and Regulatory Announcement issued May, 1939, List of Intercepted Plant Pests, 1937 (p. 1), recording pests "intercepted in, on, or with plants and plant products entering United States Territory." "State and customs officials collaborate with the Bureau and supplement routine reports of regular employees. Determinations of some of the commoner pests are made by inspectors familiar with them, but most of the insects are determined by specialists of the Bureau [of Entomology and Plant Quarantine] and most of the more difficult determinations of plant diseases are made or the States of California and Florida and the Territory of Hawaii make a large part of the determinations for interceptions at their ports." The total of insects intercepted was 48,776; of diseases, 24,019. Note also the regularly issued mimeographed "Review of United States Patents Relating to Pest Control" by R. C. Roark of the Division of Insecticide Investigations. The Bureau issues a bimonthly list of Current Literature in Entomology; note also Price List 41 (33rd ed.) on "Insects" issued by the Superintendent of Documents, which lists publications in this field.

²⁰ Transferred to the Department of Commerce under Reorganization Order No. 4,

April 11, 1940.

21 The development of programs of crop insurance—confined at the time of this study to wheat—we discuss as aspects of distribution designed to give greater security of income to farmers and greater stability of supply to consumers, although they have a bearing on production factors also. See W. H. Rowe, "Crop Insurance for Wheat," Agricultural Finance Review, May, 1938, pp. 19-22, and "Progress of the Federal Wheat Crop Insurance Program," ibid., May, 1939; also R. T. Baggett, "The Application of Crop Insurance to Cotton," ibid., pp. 24-30. protected markets and may lead to retaliation.²² The task of creating a public policy from varied materials is illustrated in seed legislation. In introducing a proposed "Federal Seed Act," Representative Coffee, speaking for the House Committee on Agriculture, remarked²³

This bill is to regulate interstate and foreign commerce in seeds; to require labeling and to prevent misrepresentation of seeds in interstate commerce; to require certain standards with regard to certain imported seeds and to curb the spread of noxious weed seeds.

This bill is very important to the farmers of this country. It has gone through a stage of evolution over a period of 2 years. The bill as presented represents the best thought of the seed trade, the farm groups, the association of official analysts, and the State departments of agriculture. This bill and its predecessors which I introduced have been before the House for the last 2 years. No attempt has been made to bring it before the House until the provisions of the bill could be generally agreed upon by the various groups affected. . . .

I may say that the seed policy committee, appointed by the Secretary of Agriculture, which is composed of technically informed men who know the intricacies of the seed business, served for the last year and a half in helping to work out the provisions of this bill in various conferences with the legislative committee of the American Seed Trade and the various farm groups, seed analysts, State commissioners of agriculture, and others. . . .

Sometimes, however, adjustment of interests is more difficult. On the same day that the Seed Act had its favorable reception in the House, Senator Schwellenbach of Washington attacked the Bureau of Entomology and Plant Quarantine for its administration of its regulatory powers as applied to the importation of bulbs from Holland.²⁴ He introduced a resolution calling for a subcommittee of the Senate Committee on Agriculture and Forestry to question the Secretary of Agriculture and

²²Note, for example, the strained relations between the United States and the Argentine Republic over the failure of the United States Senate to confirm a treaty that would permit the application of quarantine regulations by provinces rather than the Argentine as a whole and thus allow entrance of beef from districts free from the application of our quarantine; note also Barriers to Internal Trade in Farm Products, especially the section on "Quarantines," pp. 85–97.

23 Congressional Record, June 7, 1939, pp. 9504–6. The Act is presented also, and the

debate extends through p. 9516.

²⁴ Ibid., June 7, 1939, pp. 9540-45. He returned to this topic on June 12 (ibid., pp. 9837-39). Here is an illustration of the function of Congress in controlling the administration of discretionary powers by a department through discussion and investigation. Behind such an incident, of course, is the clash of importers and dealers with growers. Senator Schwellenbach (Democrat) had been joined in this inquiry earlier by Senator McNary (Republican) of Oregon, as there are bulb growers in those two states; bulbgrowing was a stronger factor than party affiliation.

the Chief of the Bureau of Entomology and Plant Quarantine about the action.

This incident illustrates the fact that the Department's functions, even in the single field of protecting production, involved many conflicting interests each of which has a stake in the exercise of the Department's discretionary powers. Such discretion would seem to be unavoidable, however, when central factors in the problem are the highly specialized scientific studies required in order to obtain adequate knowledge of the pest or disease (including origins, transmission, effects, forms of defense), the rapidity with which a dangerous condition may appear and spread, and the need for rallying quickly a number of agencies in defense. The latter point is illustrated by the threat of insect damage to timber in New England after the hurricane in 1938, as well as by a debate in the House on May 2, 1938, on a resolution making funds available for warfare on various pests (especially grasshoppers) in the event of an outbreak.25

EQUIPMENT

The study of equipment contributing to agricultural production was in 1939 carried on in the Bureau of Agricultural Chemistry and Engineering.²⁶ Among the divisions of the Bureau whose activities fell within this grouping were: Mechanical Equipment, Structures, Plans and Service, Farm Operating Efficiency Investigations, Cotton Ginning Investigations, Chemical Engineering Research,²⁷ and Fertilizer Re-

²⁵Ibid., May 2, 1938, pp. 8037–38, and also mimeographed press release of the Department for December 15, 1938, "Quarantine Issued to Prevent Spread of White-fringed Beetle in Four Southern States," listing areas and materials subject to inspection and certification requirements; also a mimeographed leaflet of the Bureau of Entomology and Plant Quarantine issued in November, 1938, "Prevention of Insect Damage to Wind-Thrown Timber in the New England States," by F. C. Craighead, Division of Forest Insect Investigations.

²⁶Sample publications are Miscellaneous Publication, Plans of Farm Buildings for Northeastern States (278); Farmers' Bulletins: Clearing Land of Brush and Stumps (1526), Corncribs for the Corn Belt (1701), Principles of Dairy-Barn Ventilation (1393), Beef-Cattle Barns (1350), Farm Bulk Storage for Small Grains (1636), Roof Coverings for Farm Buildings and Their Repair (1751), Use of Concrete on the Farm (1772), Rat

Farm Buildings and Their Repair (1751), Use of Concrete on the Farm (1772), Rat Proofing Buildings and Premises (1638), Steam Sterilization of Soil for Tobacco and Other Crops (1629); Circulars: Suggestions for the Improvement of Old Bank Dairy Barns (166), Greenhouse Heating (254); Leaflets: Wind-Resistant Construction for Farm Buildings (87), Preventing Gin Damage to Cotton (169).

27 In an address, "A National Program of Dust Explosion and Fire Prevention in Handling, Harvesting, Milling and Storing of Agricultural Products," before the Sixty-sixth Annual Conference of the International Association of Fire Chiefs at New Orleans, September 27-20, 1028, David I. Price Principal Engineer in Charge of this Division remarked ember 27-30, 1938, David J. Price, Principal Engineer in Charge of this Division, remarked in conclusion, "The Department of Agriculture, through the Chemical Engineering Research Division of the Bureau of Chemistry and Soils, is vitally interested in the study and investigation of all types of explosions and fires occurring in all sections of the United

search.²⁸ The combination of two formerly separate bureaus into a single Bureau of Agricultural Chemistry and Engineering (to which administration of four new regional agricultural-products laboratories was assigned) marked the increasing emphasis on an older activity: research into "the more extensive and more profitable utilization of farm commodities, the development of new products and the opening of new markets."29 A similar function had long been performed for forestry by the Forest Products Laboratory of the Forest Service and the Division of Forest Products. The reorganization of the Department in 1938 resulted in the transfer of the soils activities of the Bureau of Chemistry and Soils to the Bureau of Plant Industry (although the Division of Fertilizer Research remained). The new unit became an auxiliary service -to the Department generally-in chemistry and technology of engineering and construction. It also became responsible for the search for new uses of agricultural products occasioned by the market situation of the thirties.

PRODUCTION GOALS

We have noted in our discussion of the Department's evolution the development of various adjustment programs. Indeed, we have emphasized that the pouring out of the results of research on production problems had in itself had a kind of coercive effect upon the farmer. It led to the adoption of new methods in production affecting costs. We have noted also that the Department, during the World War, placed great emphasis on a program of increased production of various commodities. From the time of the first World War, American agriculture was confronted with the need for readjusting to the conditions stimulated by the war and by postwar developments generally affecting agriculture.

The basic researches and services indicated above were continued and

States in connection with the harvesting, handling, milling, processing, fumigating and storing of agricultural products. This work is carried on in cooperation with Agricultural Experiment Stations, State boards and commissions, farm organizations, fire departments, fire prevention and insurance associations and other organizations interested in explosion and fire prevention." (Mimeo. release)

²⁸The allocation to the Department on July 1, 1939, of the R.E.A. brought other activities

relating to farm equipment on the productive as well as consumer side.

20 See the mimeographed pamphlets issued by the Bureau of Chemistry and Soils: "Research—The Most Important Factor in the Conservation and Profitable Utilization of Farm Products, By-Products, Surpluses and of Our Soil Resources" (revised December 1, 1933), "Results of 16 Years of Research—1920-1936" (issued February 1, 1937), and "Economic Significance of the Research Program of the Bureau of Chemistry and Soils." (undated). See also The Naval Stores Station of the Bureau of Chemistry and Soils, Misc. Pub. No. 206, August, 1934.

expanded not only by the national government but also by the states. Increased attention was given to marketing as a means of adjusting farm production to disposal, and marketing problems inevitably intertwined with production problems. In a sense the more basic questions of the goal of production and marketing were ignored in the past, partly because of the existence of markets overseas, by means of which earlier foreign loans to this country were repaid, and partly because of the rapidly increasing population of the United States, which automatically expanded available markets. When the problem of adjustment to a changed market situation following the war expansion and postwar contraction became acute, 30 the process of individual adjustment through farm management or departure from the farm was supplemented by a search for a cure through cooperative marketing and other marketing practices. Recourse to collective production control followed as a possible means of a more orderly adjustment. Hence need arose for integrating production control policies with other aspects of land use and for more careful thought about the ultimate goals of production. We think that it is possible that these two by-products of the pressure for production control may, by focusing attention on land use and nutrition, eventually prove more important than the original parity-price objective of the leaders of the movement.

Unique Organization Features of A.A.A.

Production adjustment activities were, at the time of this study, the responsibility of the A.A.A.³¹ It was headed by an Administrator responsible to the Secretary of Agriculture and was served by the general-staff and auxiliary services of the Department. The internal organization had some unique features.³² Regional aspects were reflected through five regional divisions (North East, North Central, East Central, Southern, Western) whose directors had their headquarters in Washington. On the

³⁰Note, for example, D. F. Christy, "Government Aid to Wheat Producers," *Foreign Agriculture*, November, 1938, pp. 489–504, for a record of policies of foreign govern-

ments designed to aid their wheat growers.

³² See below, pp.192–207, for a discussion of the A.A.A. in relation to problems of general

economic policy, with special reference to consumer protection.

st The report of the A.A.A. for the period from January 1, 1937, to June 30, 1938, Agricultural Adjustment—1937–38, presents comprehensively the background of the problem, the legislation and the programs administered after 1933, the objectives as they evolved, effects on prices and income, influences on "long-time objectives of soil conservation and efficient farming," market adjustments, and administration. Appendices include materials illustrative of soil-building practices and the extent of their adoption, disbursements, participation, market operations, and annotated legislation. The document is one of great value to the student of administration for its account of the evolution of policy and administration.

state level were state conservation committees appointed by the Secretary of Agriculture and state offices clearing to the regional directors. On the county level the program was administered by county conservation committees elected by members of county conservation associations composed of farmers participating in the program.³³ Within these county associations were local community associations and their elective committees subordinate to the county committees. Although this farmerparticipation feature is stressed in the Department as an experiment in "democracy in administration," the community as a whole, of which farmers are a part, is affected by decisions of this interest group—notably those on land use—that have a bearing on the tax base and the financing of local public services.34

Production Plans and Programs

The evolution of the A.A.A. program, even within its brief existence, reflected an effort to move toward long-time objectives—partly stimulated by the necessities of constitutional law. At first emphasis was placed on the price of commodities in the national and international markets, on the income of a farmer to be derived from these prices and to be supplemented by various forms of subsidy, and on the effects of marketing agreements. Nevertheless, there was in 1939 discernible a shift in emphasis in adjustment from single-commodity treatment to a comprehensive farm-management program for each farm that would give greater consideration to land-use principles, including soil conservation. The real driving force among farm groups, however, continued to be the desire for subsidies or for any measures that would increase their financial returns.

Production plans were implemented through national and state acreage allotments and goals. These divisions were broken down by county committees to the individual farm, which was allowed a³⁵

soil-depleting acreage allotment . . . determined on the basis of good soil management, tillable acreage on the farm, type of soil, topography, degree of erosion, the acreage of all soil-depleting crops custom

³³See Dale Clark, "The Farmer as Co-Administrator," *Public Opinion Quarterly*, July, 1939, pp. 482–90; also F. F. Elliott, "We, the People. . . ," *Land Policy Review*, May-

June, 1939, pp. 1–14.

34 See Agricultural Adjustment—1937–38, chap. viii, for a description of administration of the A.A.A. in the period covered, which, it should be noted, is subsequent to the study by Nourse, Davis, and Black. See also below, pp. 192-225.

35"1939 Agricultural Conservation Bulletin," p. 9, sec. 5(a). Bulletins for the regions—North East, North Central, East Central, Southern, and Western—include more detailed provisions applicable to each region.

arily grown on the farm, and in areas where the Administrator finds it applicable, the acreage of food and feed crops needed for home consumption on the farm, taking into consideration special crop acreage allotments determined for the farm.

There were special crop-allotment provisions for cotton, corn, wheat, tobacco, potatoes, peanuts, rice, and commercial vegetables; provisions for restoration of lands to "permanent vegetative cover"; and definitions of "soil-building goals" in terms of practices to be followed by the farmer in return for soil conservation payments. These practices were adapted flexibly to regional and individual farm needs, including the planting of soil-conserving crops; the application of slag, lime, phosphate, and other beneficial and compensatory materials; terracing, ditching, and the construction of dams and reservoirs; planting of forest trees, restoration of woodlots; and various other devices.

These provisions may be viewed as a compromise between the emphasis on distribution of income to commodity producers and the need for improving farm-management practices in the light of land use and soil conservation. A frequent criticism of farm-relief production-control measures has been that they tend to "freeze" an existing land use in what may be inefficient ways at the cost of encouraging a "natural" evolution of commodity production on better-adapted lands and more efficient methods. Against this reasoning is the argument advanced for a more "orderly" liquidation of existing producers at an inefficient level by a process of gradual and flexible adjustment. Emphasis shifts from acreage allotment, on an historical base in terms of a particular commodity, to a plan for each farm that stresses adaptation to best use, including security of soil fertility. Obviously, the execution of this program would be difficult in so vast a country of divergent regional and local conditions, including the differences in financial resources of individual farmers. Equally evident is the importance of the administrative task of the local community and county committees, and of the integration of their work with that of state committees, regional directors, and national officials.³⁶ The effort to adjust one commodity to its market by a reduction of acreage may invite encouragement of expansion of another commodity, the producers of which will press for counter-measures, as illustrated by the efforts of dairy regions to prevent the assignment of surplus acreage in cotton, corn, and wheat areas to dairying.

³⁶ See on the county agent M. A. McCall, "The Relation of the National Agricultural Program to Agronomic Betterment," *Journal of the American Society of Agronomy*, March, 1938, and Nourse, Davis, and Black, op. cit., pp. 358–59.

Refocusing the Adjustment Program

In 1934 a Division of Program Planning was instituted within the A.A.A. to give attention to policies and long-time programs—a difficult task for the hard-pressed operating officials. Howard Tolley, whose earlier career in the Department has been noted, was made Chief of this Division; when he was appointed Administrator, F. F. Elliott,³⁷ also a career agricultural economist, succeeded to the post; the Division was merged in 1939 with the reorganized B.A.E., a general-staff agency of research and planning. In attacking the long-time objectives of adjustment the Division undertook analyses of domestic and export requirements of the United States in agricultural products; resulting national and regional farm resources for meeting these requirements; and requirements in crops that would be best adapted to the land, including provision for soil conservation. Experimental counties were also established in which was permitted a greater flexibility of adjustment of land use by farmers participating in A.A.A. programs within the regional regulations. This experiment permitted a shift in acreage allotments from the "historical base" to a better land-use base for farm-management plans. By these analyses it was possible to clarify production needs and goals in the light of consumption needs and of the best land use. By means of the experimental counties it was possible to translate both objectives into farm-management plans for each individual farm through the initiative of its operator and the cooperation of the county committee.

Thus, a program arising out of pressures aimed at influencing prices and at the distribution of income may be refocused to influence production toward public objectives of best land-use and consumer needs. The extent of this shift as against the continuance, creation, and protection of inefficient, uneconomic types of farming defended by political strength is much debated. Always present is the more abstract issue of liquidation through the market and foreclosure as against more gradual processes of government aid to retraining, resettlement, and reemployment. These processes, of course, must also depend upon availability of employment opportunities outside of farming.38

Opinions About the Program

A view favorable to the A.A.A. will be found in a discussion of "The Relation of the National Agricultural Program to Agronomic Betterment," by M. A. McCall, Principal Agronomist in Charge of the Di-

⁸⁷ See his article, "We, The People. . . ," *Land Policy Review*, May-June, 1939, pp. 1-14, for an account of the evolution of the planning program.

⁸⁸ See the claims of the A.A.A. on this point in *Agricultural Adjustment—1937-38*,

chap. vi.

vision of Cereal Crops and Diseases and Assistant Chief of the Bureau of Plant Industry.³⁹ The author records the detachment of most agronomists from the earlier aspects of the A.A.A. program but notes the acceptance of improved farm practices facilitated by the shift in emphasis to soil conservation and land use. He summarizes the effects in soil-building crops and practices, such as the use of lime and fertilizers. He also observes:⁴⁰

As a result of the A.A.A. program, every important agricultural county in the United States now has a county agent. The farm people of each county have come to know and to rely upon their agent and to use his services as never before. The number of his contacts and his effectiveness have been immeasurably increased because of the program. This must in the end have a profound effect upon agronomic improvements.

Another most significant development is the County Agricultural Conservation Association with its county-planning committee. This committee in each county is charged with administering the program and with working out through community committees a balanced soilbuilding and cropping program for the county, which in turn must be based on a soundly developed plan for each farm. In some states substantial progress already has been made in farm planning and productivity surveys, which ultimately are certain to be strongly influential in building a sound agriculture. These county committees should

39 Journal of the American Society of Agronomy, March, 1938. Note, however, the less favorable but earlier views expressed by Nourse, Davis, and Black, op. cit. Their views were based, of course, upon the earlier years of the A.A.A. See especially chap. xii, "Effects Upon Farm Management and the Organization of Agriculture," also pp. 472, 485, and 493, also pp. 472-73: "In practice, the program has taken on such a character, particularly through its definition of the basis of payment, as places minor emphasis on true agricultural adjustment and major emphasis on disbursing a very large amount of money to the maximum number of farmers. Such a general dissemination of government payments causes them to go to many persons who are not thereby helped to effect true adjustment or to those who are caught in situations which are not promptly adjustable. To those who have neither of these economically valid claims to continuing aid, the payments take on the character of a political 'hand-out' and tend to create vested interests which will stand in the way of sound economic development of the industry in the future." This study by Nourse, Davis, and Black is of great value to the student of administration for its account (as of 1933-36) of the factors affecting the evolution of A.A.A. policy (especially pp. 78-92) and of organizations (note the charts on pp. 55, 58, and 68) and administration (chaps. iii and ix), including appraisals of personnel, integration with the Department, planning, pressure groups, land-use aspects, and many other important questions. It is particularly useful in view of the subsequent evolution of the A.A.A. and if read in connection with the recent report of the Administrator of the A.A.A., Agricultural Adjustment—1937-38. Harold B. Rowe's association with the preparation of both documents is doubtless one cause of their value for comparable studies.

⁴⁰ Op. cit., p. 178. See also J. A. Hitchcock, A Study of the Operation of the 1936 Soil Conservation Program in Vermont (Bull. 413, Vermont Agricultural Experiment Station, March, 1937) and K. J. Nicholson, "Forerunners of Unified Programs," Land Policy

Review, May-June, 1939, pp. 31-36.

become increasingly important in the agricultural set-up in each state. They should become a most effective link in the chain of agronomic improvement.

Other examples of the effects of A.A.A. impacts on agronomic betterment doubtless could be pointed out. Enough has been indicated through the foregoing somewhat superficial survey to show, however, that the A.A.A. has contributed, and is contributing, in a very substantial way to advancements in soil conservation and crop practice. It is without question a most potent force for implementing soil and crop science. It adds a new element to the previously existing set-up of the state experiment stations, the extension services, and the research bureaus of the U. S. Dept. of Agriculture. Most of us have failed to realize the real necessity for this new element. We have prided ourselves that agronomy is so necessary and so universal that we and our work are removed from the fields of controversy that rage round all economic problems. In reality these notions have been "delusions of grandeur." Sound agronomy is dependent on and cannot be separated from sound, stablized economics. Combining the two, the A.A.A. program carries a challenge we cannot avoid.

Critics of the A.A.A. program hold that Mr. McCall's appraisal presents a too favorable view. They hold that whatever stimulus and support have been given to the Extension Service have been more than balanced by the great amount of additional work placed upon the Service and, what is more important, by its diversion from its older functions. We are more concerned, however, with the issue that centers in the role of the administrator in production policies. The critics hold that the A.A.A. has attempted to evade the unfavorable decision of the Supreme Court by attaining the same goal of production restriction in the name of soil conservation. Payments to farmers, the argument runs, have been determined by the pressure of raisers of commodities that are in the

⁴¹For valuable discussions of these questions see Gladys Baker, *The County Agent* (Chicago: University of Chicago Press, 1939) and Lord, *The Agrarian Revival*. Miss Baker summarizes (pp. 69–101) the contributions made to the Extension Service, its participation in the New Deal programs, and concludes with some general observations ending with the statement, "The depression experience of the county agent and the new national agricultural policy seem to require a reorientation of his work."

⁴²This issue is discussed in "Soil Conservation—Its Place in National Agricultural Policy," issued by the A.A.A. in May, 1936, and prepared by Bushrod W. Allin of its Program Planning Division. It is pointed out (p. 25) that "on October 25, 1935, more than 2 months before the decision, the President said concerning the Agricultural Adjustment Act that 'it never was the idea of the men who framed the act, of those in Congress who revised it, nor of Henry Wallace nor Chester Davis that the Agricultural Adjustment Administration should be either a mere emergency operation or a static agency. It was their intention—as it is mine—to pass from the purely emergency phases necessitated by a grave national crisis to a long-time, more permanent plan for American agriculture.' The quotation from President Roosevelt was taken from his statement made at the signing of the Soil Conservation and Domestic Allotment Act.

surplus group rather than by the soil conservation requirements of specific farms. While it is generally admitted that a soil conservation interest was present in the program prior to the decision in the *Hoosac Mills* case, any soil conservation objectives are distorted, it is argued, by the more powerful interest of farmers for any kind of financial subsidy.

Interest Groups and the Program

The course of policy and of administrative action on this program may well be observed by political scientists because of the light that may be thrown upon the complex subject of interest representation or upon the corporate state. Interest groups are here frankly brought into the open and associated (as also in certain of the marketing and other programs) with the Department's agencies through elected committees. But the interest groups have already been reflected in the original legislation, which is only a part, in fact, of the larger pattern of the nation's political economy. The provision of public assistance to industry through tariffs, for example, inevitably has stimulated the demand for assistance to farmers. But a policy that helps one group of farmers may injure another. Variations of area, climate, commodity, economic status, and ability are endless.

Where is the common denominator of a common public benefit and objective to be found? How can the insistent pressure of the many contending groups be so adjusted that a maximum of discoverable public benefit, and a minimum of discoverable public injury, may be obtained? What kind of personnel and what kind of procedure are most conducive to this objective? Will the formal placement of responsibilities on the representatives of the vocational group, associated with the proper type of civil servant and directed ultimately by the chief responsible political official, be a means of reconciling objectives related to national and international markets, on the one hand, and the best land use for most farms, on the other? The deeper issues of the extent to which there should be public intervention in industry, commerce, and agriculture are brought to a sharper focus by the debate over the program. The student of administration can at least analyze, in his own region and in concrete situations, how the program operates in detail through national, state, and local instruments.43

⁴³For an even-tempered discussion of some of the larger and more fundamental aspects of the question of public intervention in agriculture for encouraging soil conservation see George Dykhuizen, *Soil Conservation, A Philosopher's Viewpoint,* Circ. No. 97, Vermont Agricultural Extension Service, Burlington, 1938; Walter W. Wilcox, "Measures Needed to

The Ultimate Question of Goals

Our survey of the Department's production activities has led us to the ultimate question of its goals. Most immediately, and from the viewpoint of the producer, these activities have finally extended to efforts to adjust production to the estimated available markets—a goal toward which the way has been uncertain since the World War. We have noted briefly the more immediate development of the adjustment policy toward an increased stress on land-use aspects. The logic of our classification of the Department's activities leads to a consideration of its work in marketing and of the question of the distribution of all goods and services by the nation, including the exchange of its goods and services with other nations. These inquiries, stimulated as well by the problem of relief for the unemployed and destitute, lead to a more conscious attention to questions of diet, nutrition, and standards of living generally.

These important issues are so easily obscured in the dust and heat of contemporary party, pressure group, and sectional struggles that perhaps reference to appraisals by two foreign observers who are studying soil erosion throughout the world will help to place the American situation in a larger context. In discussing the economic causes and consequences of soil erosion44 they remark:

The Agricultural Adjustment Act in the United States illustrates some of the ways in which world-wide nationalism is forcing a country to adopt a conservation policy against the opposition of vested interests and contrary to the national temperament. The refusal of the United States to take payment in goods from their debtors and the high tariffs imposed by, and the poverty of, the debtors caused an enormous drop in agricultural exports in the decade following the war. . . .

How far the Act has succeeded in contracting crop acreages and production is difficult to estimate, for since its inception drought has been far more effective in that way than the Act. The Act was conceived as an economic palliative and not as a soil-conserving measure, but its potentialities in the latter direction are now recognized, and the Agricultural Adjustment Administration is coordinating its activities with those of the Soil Conservation Service. The Administration emphasizes the importance of substituting for productive soil-exhausting crops, whose acreage is being restricted, less productive soil-conserving crops like grass and legumes. Every encouragement is given to farmers

1939), p. 226 and pp. 227-28.

Achieve Conservation and Efficient Production," Journal of Farm Economics, November, 1939, pp. 864–70; and, on the soil conservation emphasis as compared with income objectives, J. K. Galbraith, "Permanent Aspects of Supply and Price Adjustment in Agriculture," ibid., p. 872.

44 Jacks and Whyte, Vanishing Lands (New York: Doubleday, Doran and Company,

to practice positive soil conservation wherever they are debarred by human or superhuman forces from soil exploitation. The AAA is a small beginning, inadequate in its results, opposed and partially wrecked by more numerous and powerful interests than supported it, contrary to the canons of orthodox economics, and irritating to American individualism. Within two years, drought largely achieved the AAA's object of eliminating farm surpluses, and apparently removed the need for government interference.

But if drought has been more successful than legislation, it is even less popular and reliable. It removed one economic obstacle to recovery, but it exposed and intensified other more fundamental obstacles to lasting prosperity and security. While the AAA was being condemned as futile, costly and un-American, dust storms were proclaiming that agricultural adjustment must be persevered with and intensified, not for its original purpose of preventing wheat being burnt by not growing it, but in one form or another as the only sure basis of a national soil-conservation policy. The AAA was a shot in the dark, designed to prevent the conversion of soil capital into goods unwanted by a nationalist world; it has come to stay and to develop as an instrument for conserving soil capital whether or not the old opportunities for unlimited exploitation return.

These comments serve to indicate the complexity of the issues of the adjustment policies that are so sensitively interlocked with every-aspect of national and international institutions and relationships.

Furthermore, increased attention to problems of diet and nutrition evidences the search for more objective and socially desirable criteria for production standards. Hence, not only the A.A.A. but also the Bureau of Home Economics must be included in the agencies of the Department charged with responsibility for production adjustment. Louise Stanley, Chief of the Bureau, states:⁴⁵

The Bureau of Home Economics has a unique responsibility in the Department's efforts toward conservation and development of human resources. It alone, of the several bureaus, focuses its entire program of research upon the achievement of this end. It strives to determine human needs for food, clothing, housing, and the many other goods and services that are part of our national standard of living. It endeavors to find how to use the Nation's resources most effectively in meeting these needs and in increasing human satisfaction.

Thus in working toward conservation of human values, the Bureau also serves as a link between the producer, both in agriculture and industry, and the consumer. The science of production depends for its ultimate efficacy upon the development of the science and the art of consumption. And the only measuring stick for the success of both production and consumption is their contribution to human values.

⁴⁵ Report of the Chief of the Bureau of Home Economics, September 1, 1938, p. 1.

The Bureau's research on nutrition,⁴⁶ on the relation of diet to income, as well as on consumption patterns generally, brings a consumer approach to problems of production the importance of which is not confined alone to agriculture, to the Department of Agriculture, or to rural life. Here again, aspects of production are interwoven with distribution and consumption and tie into activities of the Departments of Commerce and Labor, the Federal Security Agency, and the National Resources Planning Board.

* * *

The discussion of the Department's production activities conveys at least the range of subject matter covered and indicates the high degree of specialization characterizing scientific research and its application. Each farmer, making for himself a series of decisions about his own farm, must coordinate what he can obtain of the available knowledge of use to him. Each of his production factors presents its own problem peculiar to that one farm, and together they constitute its ecology; soil, climate, topography, seeds, livestock, methods of preparing and cultivating the soil, and the farmer's implements and buildings must be synthesized best to achieve his goals of products to be consumed at home and to be marketed. That synthesis must include practices by means of which he will either obtain soil conservation and other payments or avoid penalties for failure to keep the rules of a marketing agreement. He must also adjust his program to credit charges on his capital investment and the financing of his crop, to transportation factors, and to the presence or absence of electric power for refrigeration or milking-machine operation.

The county agent's role in informing the farmer of the best knowledge available on these matters is extremely important. Behind the county agent are the state extension service headquarters, with its specialists, and the state agricultural experiment station, through which problems peculiar to the agriculture of a particular state may be explored and general agricultural research brought to a focus. Policies also affecting the farm are made beyond the fences: policies connected with local public house-keeping services, such as drainage or irrigation, which the farmer shares with fellow farmers; with roads, schools, and relief; with state services; and with functions of the national government.

⁴⁶ Sample publications are Circulars: Diets of Families of Employed Wage Earners and Clerks in Cities (507), Food Consumption of Children at the National Child Research Center (481); The Chemical Composition of American Food Materials.

E. C. Auchter, Chief of the Bureau of Plant Industry, discussing the relation of soil research to goals of production as bearing on nutritional standards, says, "The unity of nature no less than its complexity is important, and the time has come when we shall have to pay more attention to this unity without neglecting the advantages of specialization." 47 He emphasizes the parallel developments in the science of nutrition both for plants and for animals and suggests that agricultural scientists should give more attention to the production of crops with the highest nutritional quality. One step, he says, is through research; a thorough study of our soils would indicate which areas are suitable or unsuitable for the production of food, the production of crops for industrial purposes, or for forests. The results of such a study, he states, might be either that only certain crops would be grown where the soil was suitable or that the essential although deficient elements would be added so that the people dependent upon crops in those areas would have food of high nutritional quality.

Thus we see that the many activities of the Department affecting production and the goals of production require the most careful integration if distortion is to be avoided. Here, in fact, is the crucial administrative problem of the Department, especially in view of developments between 1920 and 1940: the Department has increasingly become a factor directly affecting the economic forces that condition farm management. Its activities require a continuing appraisal, despite the specialization characteristic of scientific research and research workers. They must be integrated with the program and resources of each state and with the local area in the light of circumstances peculiar to it. Finally, they must be made intelligible and of use to the individual farmer, who is always subject to the requirements of a biological industry dependent on natural factors of the life cycles of soil, plants, animals, and seasons and to destructive risks from weather, insects, and disease. The Department's production function is interwoven with the function of marketing and with the larger question of distribution; it must be visualized in concrete terms of land use and of the general conditions of rural life.

⁴⁷ "The Interrelation of Soils and Plant, Animal and Human Nutrition," *Science*, May 12, 1939, pp. 421–27. Also see below, p. 221.

CHAPTER 8

LAND USE

THE NUCLEUS of the most significant group of the Department's activities is land utilization. Since even the use of this term is so new as to emphasize the emergence of such a cluster of programs, something of its scope may well be indicated. Narrowly conceived, it might refer to any activity related to land and thus might refer back to the time when man first scratched the soil. The application of the physical sciences to land, more properly known as agronomy, influenced land use, and from agronomy, as we have seen, farm management was an important development. The terms "land use" and "land utilization," however, embrace the contributions of the social as well as the physical sciences. The Secretary in his 1938 report describes the scope of this field.²

There are no separate problems of forestry, of wildlife conservation, of grazing, of soil conservation, and of rational crop adjustment. There is one unified land use problem, of which forestry, grazing, crop adjustment, and so forth are merely aspects. This problem involves the whole pattern of soil, climate, topography, and social institutions; it has to do with social and economic conditions, as well as with the physical problems of crop, livestock, and timber production, and of soil and water conservation. Research and action programs must fit together, and come into a dynamic focus on the farm and on the watershed. Equally important, they must mesh with urban policy. Not otherwise can we attain the full efficient use, in town and country, of all our human and material resources.

The Department has long engaged in activities related to a landutilization program, such as forestry and wildlife conservation. Nevertheless, the conception of the interrelationship of programs affecting the soil and of the socio-political forces of the nation, and even of the world, gives content to the term "land use": it implies a comprehensive national land-use policy. The administrative problems associated with the coordination of these activities arise not only from the number and extent of separate programs but also from the historical forces that at a

¹For the origin of the Office of Farm Management in the Bureau of Plant Industry see above, p. 35.

given time have compelled such coordination. Familiarity with these forces will contribute to an understanding of current problems; therefore the more important events related to national land-use policies will be reviewed.

PUBLIC DOMAIN POLICIES

Historically the land program of the national government has been based fundamentally upon statutes enacted to meet specific situations. As early research projects were related to particular diseases, pests, or plants, so land programs were developed to meet particular publicdomain problems. By and large, the administration of public lands was based upon the assumption that the wisest use of those lands would result from their most rapid distribution to private ownership. This concept was akin to the philosophy of democracy nurtured by the Revolution and supported by the abundance of unoccupied public lands. During the nation's infancy two powerful schools of thought developed about the public domain. Alexander Hamilton and John Quincy Adams represented a strong conservative group in the East that advocated the use of public lands as a source of revenue for the national government and for the development of internal improvements. Thomas Jefferson spoke for those who believed that ownership of land by all, or at least by a majority, of the people was the best guarantee of a continuing democracy. Those most sympathetic to the Jeffersonian view were the frontier settlers; yet behind a veil of philosophical idealism their real motive was the procurement of land at the lowest possible cost.

Associated with the spirit of revolutionary democracy were two fundamental concepts of property that have markedly influenced public and private lands in America. The first was the right of every man to hold real property in fee simple absolute, or the implicit right to do with his property as he saw fit. The second—a reaction from primogeniture and entail—was the principle of equal distribution of estates among the heirs. The first concept permitted speculation, excessive debts, frequent transfer of titles, migration, and tenancy. The second concept, based upon standardized philosophical concepts, was applied indiscriminately to vastly different ecological regions, resulting in uneconomic subdivisions, a scattered small-field system in some areas, tenancy, and occasionally, although contrary to early belief, in the building up of large estates.³

³A valuable article by Karl Brandt, "Public Control of Land Use in Europe," *Journal of Farm Economics*, February, 1939, pp. 57-71, is particularly useful in indicating the

Legislation Encouraging Private Ownership

From 1787 to 1862 the conservative East and the frontier battled over the disposal of the public domain. The East looked upon the opening of the West as a threat to land values at home; the West was hungry for land. Steadily, however, the influence of the settler grew stronger and he was able to win increased concessions. The land law of 1706 set for public land a minimum price of two dollars per acre in units of 640 acres. The prospective purchaser was thus confronted with a relatively high total cost. Hence, in 1800 the size of the unit was reduced to 320 acres; in 1804, to 160 acres. Following the panic year of 1819 the settler succeeded not only in having the minimum price reduced to \$1.25 per acre but also in having the size of the unit fixed at 80 acres. By the Land Act of 1820 existing settlers could also have title to that portion of their holdings representing the amount of money already paid on their contracts. In order to prevent a recurrence of such action, the existing credit system was abolished. In 1841 the Preemption Act was passed legalizing the fait accompli of squatters and others who without legal right occupied and enjoyed lands in the public domain. Many of the western communities had already accorded a preferential status to these squatters.

Another victory for the West came in 1854 when legislation authorized the scaling down of land prices in proportion to the time such land had been on the market without a purchaser. Finally, after the secession of the South the supporters of freeholding had complete control in Congress and in 1862 passed the Homestead Act. This Act offered to the settler a quarter section, or 160 acres, free of cost except for inconsequential fees, after five years' residence on, or cultivation of, the land. It provided further that the homesteader at his option could at any time within the five-year period preempt title to the land by payment of the regular price. It should be repeated here that in the same year that Congress passed the Homestead Act it also created the Department of Agriculture and enacted the Morrill Act. Under the latter Act the states were granted areas of public land, apportioned according to the number of senators and representatives in Congress; the proceeds from

[&]quot;relatively uniform trend" among European nations "in attitudes toward land use control." Mr. Brandt points out that, while private property in land has nowhere been abolished, nevertheless "private property in its absolute sense of fee simple and the manifold implications of *jus abutendi* in its perfection, as it still exists in the United States and in the New World in general, has not survived in the great majority of European countries."

⁴See above, p. 6.

the sale of this land were to constitute an inviolable fund to be invested for the support and maintenance of at least one college⁵

where the leading object shall be, without excluding other scientific and classical studies and including military tactics, to teach such branches of learning as are related to agriculture and the mechanic arts, in such manner as the legislatures of the states may respectively prescribe, in order to promote the liberal and practical education of the industrial classes in the several pursuits and professions in life.

Further distribution of lands from the public domain was made. In 1849-50, for example, the portions of the public domain comprising swamp lands were transferred to the states within which they were located, but the states were to use the proceeds from these lands to reclaim them for future occupancy by individual settlers. Vast areas of the public domain were also transferred to promoters and large corporations in order to advance the development of internal improvements particularly railroads and other transportation facilities. "During the 1850's and 1860's there passed into the hands of western railroad promoters and builders a total of 158,293,000 acres, an area almost equalling that of the New England States, New York, and Pennsylvania combined."6

Private Ownership Speeded by Land Frauds

The transfer of public lands to private ownership proceeded at high speed; the pace was even more rapid than had been anticipated by those supporting a liberal land policy. Not only had pressure groups been eminently successful in having legislation drafted or altered to their advantage, but also individuals and organized groups practiced wholesale frauds with or without the color of law. Many persons believed or contended that land exploited for their individual profit contributed to the general prosperity. So general was this idea that those who most successfully exploited the land were considered public benefactors. It is pertinent to refer here to Frederick Jackson Turner's observations on the frontier influence on the American intellect:7

That coarseness and strength combined with acuteness and inquisitiveness, that practical, inventive turn of mind, quick to find expedients,

⁵July 2, 1862, sec. 4, 12 Stat. L. 504; March 3, 1883, 22 Stat. L. 484; April 13, 1926,

⁴⁴ Stat. L. 247; 7 U.S.C., sec. 304. See also above, p. 6.

^aB. H. Hibbard, "Land Grants," Encyclopedia of the Social Sciences, Vol. IX, p. 35.

⁷Everett E. Edwards (compiler), Early Writings of Frederick Jackson Turner (Madison: University of Wisconsin Press, 1938), p. 227.

that masterful grasp of material things, lacking in the artistic but powerful to effect great ends, that restless, nervous energy, that dominant individualism, working for good and for evil, and withal that buoyancy and exuberance which comes with freedom, these are traits of the frontier, or traits called out elsewhere because of the existence of the frontier.

Those who would acquire large holdings contrary to the spirit of the law found means of doing so. Under the Homestead Act, for example, corporations could acquire large areas through the expedient of having their employees enter patents as individuals and then, after acquiring title by preemption, reconvey the lands to the corporation; the corporations also acquired property by using the land as desired, without exercising the right of preemption, and thereafter allowing the patents to lapse. The Timber and Stone Act of 1878 really turned out to be a convenient legal procedure for the transfer of public timber to private ownership. Individuals were authorized to acquire 160 acres of land, valuable chiefly for timber but unfit for cultivation, at a minimum cost of \$2.50 per acre. This Act, like the Homestead Act, was freely abused. Through misrepresentation by dummy entrymen thousands of acres of the most valuable timber land were acquired, and most of it was completely cut over.

Inadequacies of the Land Laws

The dramatic boldness and the extent of land frauds, more than anything else, compelled a realization of the inadequacies of land laws. It was the failure of the laws to meet the conditions of diverse regional ecologies that first gave rise to evasions. The series of enactments culminating in the Homestead Act were calculated not only to facilitate the acquisition of land holdings by the settlers but also to prevent the type of land speculation that thrived under the older, large-scale sales

^{8 20} Stat. L. 89, sec. 1.

⁹For a valuable account of land legislation before, during, and immediately after the Civil War period see Arnold Tilden, *The Legislation of the Civil-War Period Considered as a Basis of the Agricultural Revolution in the United States* (Los Angeles: University of Southern California Press, 1937). In conclusion Tilden makes the following statement (p. 150): "To recapitulate, it may be said that the legislation succeeded in depriving the government of the United States and the people it represented of almost unlimited wealth in the form of natural resources, that it led to the rapid exhaustion of agricultural and forest lands and the wastage of the other natural resources of the country, that it contributed to the political and business dishonesty so prevalent in the United States, that it ruined the most fundamental class of producers in the nation, that it continued and pushed forward a policy of robbery and murder in order to deprive the Indians of that which had been solemnly guaranteed to them, and, finally, that it contributed greatly to the forces that destroyed the practicability of the economic system under which the United States had, from its inception, been organized."

policy. In the Mississippi Valley the size of units could be severely restricted without serious disadvantage to the homesteader. Most of this land, because of soil and moisture conditions, could profitably be converted to agricultural uses, even in small parcels. As the frontier was pushed farther west, however, it embraced the vast low-rainfall and rich timber areas, the use, to say nothing of the exploitation, of which required holdings much larger than was legally permitted. Those who would engage in the cattle or timber industries were thus compelled to evade the spirit, if not the letter, of the law. Such evasions became generally recognized as necessary to the use of certain areas and were widely condoned. Enforcement of the land laws became impossible.

During the autumn of 1875 President Grant visited the territories of Wyoming, Utah, and Colorado. On the basis of his observations he included in his seventh annual message to Congress a discussion of the arid lands. He pointed out that land suitable only for cultivation after artificial irrigation or for use as pasturage could not be governed by laws adapted to areas "every acre of which is an independent estate by itself." Such lands needed to be held in larger quantities than the law permitted if the expense of irrigating them for cultivation or pasturage were to be justified. President Grant explained that existing legislation did not permit the acquisition or use of timber in the territories. As an indication of how widespread were evasions of the land laws, he stated, "The settler must become a consumer of this timber, whether he lives upon the plain or engages in working the mines. Hence every man becomes either a trespasser himself or knowingly a patron of trespassers." The President's recommendation to the Congress was that it set up a joint committee of both houses; after visiting the western territories, the joint committee should report recommendations for such laws and amendments as it deemed expedient. In conclusion he hinted at the futility of attempting to enforce the existing statutes, saying that he was sure that "the citizens occupying the territory described do not wish to be trespassers, nor will they be if legal ways are provided for them to become owners of these actual necessities of their position."10 Three years later Major J. W. Powell, in his report on the arid region, corroborated President Grant:11

The timber lands cannot be acquired by any of the methods provided in the preëmption, homestead, timber culture, and desert land laws,

¹¹Powell, op. cit., pp. 27-28.

¹⁰ James D. Richardson, Messages and Papers of the Presidents, 1789–1897 (1898), Vol. VII, pp. 355-56.

from the fact that they are not agricultural lands. Climatic conditions make these methods inoperative. Under these laws "dummy entries" are sometimes made. A man wishing to obtain the timber from a tract of land will make homestead or preëmption entries by himself or through his employes without intending to complete the titles, being able thus to hold these lands for a time sufficient to strip them of their timber.

This is thought to be excusable by the people of the country, as timber is necessary for their industries and the timber lands cannot honestly be acquired by those who wish to engage in timber enterprises. Provision should be made by which the timber can be purchased by persons or companies desiring to engage in the lumber or wood business, and in such quantities as may be necessary to encourage the construction of mills, the erection of flumes, the making of roads, and other improvements necessary to the utilization of the timber for the industries of the country.

Attempts to Relate Laws to Geography

In response to this general situation Congress passed the Desert Land Act in 1877. 12 Under this Act desert lands could be acquired in tracts as large as 640 acres by the payment of twenty-five cents an acre, by the filing of a declaration of intention to reclaim the land, and within three years thereafter by the furnishing of proof of compliance and by the payment of an additional dollar per acre. Unfortunately, the intent of this Act was also flagrantly violated, for under it many people got the use of grazing land for three years without any real intention of reclaiming it for permanent use. A comparable act had been passed two years earlier but was applicable only to desert lands in Lassen County, California.¹³ Major Powell, in his report, maintained that pasturage farms in the arid lands should contain a minimum of four square miles in order to be of any practical value. He recommended specific legislation not only to permit the existence of units of this size but also to provide for the organization of pasturage districts "in which the residents should have the right to make their own regulations for the division of the lands, the use of the water for irrigation and for watering the stock, and for the pasturage of the lands in common or in severalty."14 Had these recommendations been adopted at that time,

¹² 19 Stat. L. 377.

¹³ 18 Stat. L. 497.

¹⁴ Op. cit., p. 28. To students of public administration the efforts of Major Powell illustrate a basic problem of public planning. Planning, to be acted upon, must be in tune with the ideology of the time. When it is not, however, efforts such as those of Major Powell are none the less important. Indeed, they contribute to the development of a "public" that will receive and support such efforts at a later date.

the use of the arid lands would have been so altered as to obviate the necessity for many later governmental programs.

In addition to recognizing the inapplicability of the same land legislation to the whole country, many who had condoned evasions of the laws saw that these evasions were being extended farther than they had anticipated. Beyond the acquisition of holdings large enough to make cattle and timber operations possible, some had successfully accumulated vast areas for intensive exploitation. The prospective settler, because choice lands had been accumulated in large holdings or dominated by those who controlled the sources of the supplies of water, found it increasingly difficult to procure a desirable homestead. But those in control had accumulated power as well as land, and their resistance to reform was vigorous and stubborn. Abram S. Hewitt felt the power of the western interests when he fought for his bill calling for the reorganization of the western surveys. Allan Nevins, in his biography of Mr. Hewitt, states, 15

All Hewitt's skill and force were needed to carry the legislation in the House. He answered every objection, struck out vigorously at the "grasping corporations and overpowering capitalists" who were trying to seize our great Western heritage.

Mr. Hewitt succeeded in pushing his bill through Congress, but this success was not such a material defeat to the powerful land interests of the West as to weaken their dominance except momentarily. For years they increased their power and their holdings and continued to enjoy considerable support from those who thought them public benefactors. As late as 1904 Senator Francis G. Newlands told the Senate that he had always been tolerant of those who accumulated large holdings outside the law. They had yielded, he felt, "simply to the necessities of the conditions in the development of an industry that necessarily was conducted upon a large scale." But Senator Newlands was also concerned by the resultant hardships of these land grabs on the small settler; he emphasized that 16

the concentration of these large areas of land necessarily retards the population development of a state. They constitute simply one era in the development of a state; but a subsequent era is desirable and ... ought to be marked by an increase of small homes.

He thought it unfortunate that those who controlled the land were

¹⁵Abram S. Hewitt (New York: Harper & Brothers, 1935), p. 409.
¹⁶Arthur B. Darling (ed.), The Public Papers of Francis G. Newlands (1932), Vol. I, p. 02.

reluctant to yield to the settlers and that they embarrassed and retarded the movement of the settlers in every way possible.

Failure of Private Ownership in Best Use of Nation's Resources

The report of the Census Bureau for 1890 revealed that the western frontier had ceased to exist. On the basis of this fact Frederick Jackson Turner in 1897 prophesied the growing need for adjustments in our economic and political life as the reality of the closed frontier became felt by an ever increasing population. Farsighted, indeed, was this prophecy, but it was too early to inspire appropriate anticipatory legislation. Eleven years later Senator Newlands could say that land monopolies in the United States had not yet become too serious simply because of the large area of the country still available for settlement. But he, too, warned that an increase in population would produce serious consequences unless our land policy were carefully reoriented.

The passing of the frontier evidenced the success with which the policy of transferring public lands to private ownership had been prosecuted. In little more than a hundred years the nation's frontier had been pushed across the continent. The emphasis on homesteading continued, however, and though there was evident need to adapt laws to particular areas, it was not until 1904 that the Kinkaid Act enlarged the homestead to 640 acres for the western sand hills of Nebraska. It may be questioned whether this effort was primarily to assure proper use of that area or, since those lands had been rejected by the settler, a means of encouraging an increased population. Five years later the same principle was applied to nine other states and territories, but, interestingly enough, the unit was again reduced to 320 acres.

The passing of the frontier, as Mr. Turner so clearly realized, meant that the end of the unlimited domain was in sight. The rapid destruction of forest lands, increasing areas of cutover and burned-over stump lands, and the wasteful exploitation of mineral resources had invoked the wrath of many. The need for constructive legislation now became clearly realized and more widely supported. The evidence was dramatic. It was apparent that private ownership did not assure the best use of the nation's resources.

THE CONSERVATION MOVEMENT

General Policies

Congress officially recognized the shortcomings of private ownership in 1891 when it authorized the President to set aside and reserve appropriate public lands as national forests. John Muir had urged the conservation of forest resources as early as 1876; the act of 1891 was largely the result of his influence. Although this was the first legislative effort toward conservation based upon the public ownership of national resources, public interest in conservation had been aroused much earlier, particularly by the decline of fisheries and forests. The Office of the Commissioner of Fish and Fisheries was established in 1871; in 1886 a Division of Economic Ornithology and Mammalogy, later to become the Bureau of Biological Survey, was created in the Department. The real force behind the conservation movement, however, did not develop until after the turn of the century. It reached a peak in 1908 with the creation of the National Conservation Commission and the Conference of Governors called by President Theodore Roosevelt.

The conservation movement can best be understood if three important points are kept in mind. Only after more than a century of indifference and neglect was the first real assault made upon the outmoded administration of the public domain. Second, the movement was confined primarily to nonagricultural lands, and public ownership was offered as the major remedy for misuse. A more extensive program might have met with complete disaster, yet, because of the still substantial and effective resistance to reform, only a few farsighted individuals seriously considered the possibility of extending governmental control over private lands.

The general belief was that conservation of soil and water resources on private lands could best be effected through education. If the farmer could be taught conservation methods that would net him increased though deferred returns, he would be inclined to accept them. The public, too, needed to be made more acutely aware of conservation, for it was believed that any attempt at regulation of private lands would be futile until the farmer could be controlled, in part at least, by public opinion. "Knowledge," said Mr. Van Hise in 1910, "must be carried out to him [the farmer] before such control can become effective. With knowledge will come a sense of responsibility. Whenever knowledge and public opinion have sufficiently developed, laws may be enacted to re-

¹⁷Department of Agriculture, Office of Information, "Radio Service," April 21, 1938

¹⁸ Ibid. Although President Cleveland set aside 21,000,000 acres of public lands for forests, the whole was subsequently restored to the public domain for a year. Many choice parcels became privately owned. John Muir fought this situation and, in 1903, while on a camping trip with President Theodore Roosevelt, had an opportunity to talk with him about conservation needs. "For three days and nights John Muir and 'Teddy' Roosevelt camped under the big trees of California, and the President gave new impetus to conservation when he returned to Washington."

strain the reckless and lazy."19 Finally, though many regarded conservation as a positive contribution to the long-time welfare of the nation, the vital public support was arrayed behind the desire to check greed and special privilege and the hope for a redistribution of wealth. "To keep greed and special privilege from getting an increasingly unfair share of land, mineral, forest, and other resources was a part of Theodore Roosevelt's 'trust busting' efforts. This redistribution-of-wealth motive was the real spark that arrayed public support behind the efforts of the conservationists."20

The philosophy of public lands that prevailed during the early years of the twentieth century is evidenced by the Reclamation Act of 1902.²¹ President Theodore Roosevelt, in his message to the Congress on December 3, 1901, stressed the need for reclamation of the unsettled arid public lands by the national government. He stated that the object of the government was to dispose of those lands to settlers who would build homes upon them, that lands reclaimed by irrigation works should be reserved by the government for actual settlers. In discussing the Reclamation Act before the Senate in 1904, Senator Francis G. Newlands, the father of reclamation, expressed pride in the provisions limiting the water available to each owner to an amount sufficient for only 160 acres. He argued that since the land proprietor could obtain only such a restricted water right, he was induced to divide up his land and sell it to other settlers, who in turn could procure similar quantities of water.²²

So the very policy of the Government, as shown in that act, is in the line of breaking up the existing system of land monopoly and of land concentration in that region. Then we guard against future monopoly of government lands under the irrigation act by allowing entry only under the homestead act, without commutation, thus compelling five years' bona fide residence and cultivation before title can be secured. The land monopolist cannot easily twist such an act to his purpose.

The results of the conservation and collateral movements were extremely limited in the light of then existing problems, yet they marked a radical departure from the laissez-faire policies of the past. The need for positive governmental action was recognized and, within narrow limits, made effective. At the same time, the public was aroused to the serious condition of our natural resources and lent its support, for one

¹⁹The Conservation of Natural Resources in the United States (New York: Macmillan Company, 1910), p. 354.

20 Bushrod W. Allin, op. cit., p. 16.

^{21 32} Stat. L. 388.

²² Darling, op. cit., p. 93.

reason or another, to the programs of the conservationists. Public influence on the evolution of our land policy cannot be overemphasized. Indifference had characterized the administration of the public domain during most of our history; even the conservation movement was restricted to meet the attitude of a public that had no general conviction of the needs for government regulation of private property. Among the conservationists were those who saw that a complete conservation program should be based upon the interrelationships of water, land, forests, and other resources. They saw, too, that such a program could not develop if private property were to be excluded. But owners of private property were not prepared to sacrifice immediate advantages to the nation's future interests. A higher public sense of social responsibility would be necessary.²⁸

The development of a public opinion that would support a broad integrated attack on the whole land-use problem was to be deferred until after the inadequacies of earlier policies were demonstrated in dramatic and positive fashion. New champions of conservation appeared from time to time not only to press for specific legislation but to support their case with the facts developed through research. Many separate streams of thought and action associated with land use flow through the years of the twentieth century, each claiming more and more adherents, each contributing potentially to a broader single current. Not until 1933, however, did the real drive for an integrated attack begin to meet genuine success.

Wildlife Protection

Out of the earlier efforts to protect fish and fisheries²⁴ extensive wildlife protection programs developed. The first of a steadily growing

²⁸Land speculation had become a part of the "American way." Abundant land at and beyond the frontier, coupled with a continuous demand by an increasing population, lent itself to excessive speculation. Not only were land prices—including those of agricultural lands—inflated, but the farmer himself participated in enriching himself through capital improvement. Even the disappearance of the frontier failed to stem the speculative fever; with the elimination of free or cheap lands the rise in prices was accelerated. (See below, p. 130.) Though a deflation of farm values set in during the 1920's, the public participated in or watched with interest the land booms that were promoted all over the nation. The Florida episodes were merely more dramatic and more widely publicized than the countless smaller ones in cities, suburbs, and resorts. Truly the American speculative temperament has developed from the land. The social costs involved in land speculation were generally overlooked or ignored. The outstanding exception was, of course, Henry George, whose book, *Progress and Poverty* (1879), was based upon his study of land problems. But he could make little headway against so strong a tide.

²⁴ See above, p. 29.

system of federal bird refuges was assigned to the Bureau of Biological Survey by executive order of President Theodore Roosevelt in 1903.²⁵ Subsequently the problem of wildlife conservation was attacked through the treaty-making power under an act of 1918 and by a subsequent extension of wildlife refuges. As early as 1915 E. W. Nelson, Chief of the Bureau of Biological Survey, urged the acquisition of land and water areas for conversion into permanent sanctuaries for wildlife. It was thirteen years, however, before Congress enacted the Migratory Bird Conservation Act and established a Migratory Bird Conservation Commission. The Commission was a counterpart of the National Forest Reservation Commission, since its membership included two senators, two representatives, and the Secretaries of Agriculture, Commerce, and the Interior. It was given general control over an expanded program of land purchase for wildlife sanctuaries.

Here again, in this field of conservation, we find a steady movement from specialized scientific researches toward a policy of land acquisition and administration, the basis of which must be increasingly ecological and regional if it was to be most effective. The policy must also be related both to other national land-use and water resources programs in each locality of application and to state and local land programs. Terms used to describe soil erosion, lowered water tables, and the destruction of vegetative cover, heretofore meaningless to the layman, now conveyed the stark realities of depleted and vanishing resources. It was not the fact, but the realization of the fact, that aroused public interest and support. A publication of the Department pointed out in 1938 that the passage of the Migratory Bird Conservation Act was evidence not only that legislators, administrative agencies, and the public "at last began to appreciate the value of preserving and restoring wildlife . . ." but also that they began to see its relationship to land utilization. "The long cycle of drought beginning in 1915 and continuing with an intensity almost unbroken for two decades was responsible for a new and mounting interest by the public in the condition of organic national resources of all kinds."26

Despite this awakened public interest the most effective support for wildlife conservation continued to come from sportsmen's groups—special interests that were influential in the origin and development of

²⁵Transferred from the Department of Agriculture to the Department of the Interior by Reorganization Order No. 2, July 1, 1939.

²⁸ Department of Agriculture, Wildlife Research and Management Leaflet BS-108, March, 1938, p. 8.

wildlife conservation programs. In the administration of these programs, therefore, the Department embraced the special interests of sportsmen, and, where the land was affected, these interests had to be harmonized

with other land programs.

Other administrative problems arose. Wildlife conservation was a new profession for which personnel had to be specially recruited and trained. Eventually universities offered courses to equip interested students for service in the field, but in-service training was always important. Jurisdictional limitations resulted in special relations with state governments. The treaty-making power was called upon to give the national government supervision over migratory birds, but mammals and bird-breeding grounds remained under state supervision except where the national government held title to the land. Efforts to further national-state collaboration were made by wildlife conservation organizations and resulted in the Pittman-Robertson Act of 1937. This Act authorized the earmarking of excise taxes on firearms, shells, and cartridges and their apportionment among the states for wildlife restoration projects. It also provided that for a state to qualify for benefits its legislature must have assented to provisions of the Act and "have passed laws for the conservation of wildlife which shall include a prohibition against the diversion of license fees paid by hunters for any other purpose than the administration of said State fish and game department."27

Emerging Land Problems

As late as 1928 H. H. Bennett could say that everyone familiar with the evil effects of soil erosion realized the seriousness of the problem but that few knew how widespread erosion was. "There is necessity," he said, "for a tremendous national awakening to the need for action in bettering our agricultural practices in this connection, and the need is immediate." ²⁸ Only after the dust clouds that rose from the Great Plains rolled over the country—at times as far as the Atlantic seaboard—did the public become seriously interested in misuses of lands that permitted, through erosion of all kinds, the destruction, often permanent, of the nation's soil resources.²⁹

²⁷ It has been said that this provision would encourage the issuance of hunting and fishing licenses as a source of income rather than a protection of wildlife. We have already noted the efforts similarly to earmark gasoline and automobile taxes for road development.

 ²⁸Department of Agriculture, Soil Erosion, A National Menace (Circ. No. 33, 1928).
 ²⁰Samuel T. Dana, "Farms, Forests, and Erosion," Yearbook of the Department of

Upon the assumption of a continually increasing population it was freely predicted as late as 1910 that the maximum population in the United States would be between 300,000,000 and 500,000,000 by the year 2000. By 1920 predictions became much more conservative, but even then Messrs. Pearl and Reed visioned 185,000,000 by the year 2000 and 197,000,000 in the year 2100.³⁰ It was apparent, too, that the choicest agricultural lands had been taken up. The pressure of an increasing population on the food supply, evidenced in the early years of this century by the steadily decreasing exports of grain and livestock, presaged the conversion of poorer and poorer lands to agricultural uses. Land and lumber companies, in fact, found the forces of population pressure advantageous in encouraging expansion into the submarginal cutover areas of the Lake States.

Many thoughtful economists seriously questioned the prevailing system of land settlement and became interested in the possibility of restricting settlement to appropriate lands. "The subject was discussed in numerous papers at meetings of the economic associations and the conferences on marketing and rural credits held in Chicago in 1915 and 1916." The World War, however, and the concomitant food scarcities

Agriculture (1916), pp. 133-34, presents a most interesting discussion of the physical factors contributory to soil erosion, of the diverse results of erosion, and of the imminent need for positive action to prevent the aggravation of an already serious problem. At that time 4,000,000 acres of farm land had been ruined by erosion, and there was an annual loss of 400,000,000 tons of soil material. The author prophesies that the day of reckoning would surely come when we should pay the price for such prodigality: "The problem of erosion and its control forms an integral part of any comprehensive plan for the development of our natural resources. If all land were put to its best use and so handled as to maintain its productivity the problem would be solved. This result can be attained, however, only by marked change in our present practice. A stop must be put to reckless destruction of the forest, to uncontrolled fires, to overgrazing, and to careless farming. For the sake of the farmer in particular and the public in general, steps should be taken to retain and restore the forest cover in the mountains, under public ownership or supervision. There should be brought home to the people as a whole the extent and seriousness of erosion and the necessity for its control by the community. When all these steps are taken, and not until then, will 'farms, forests, and erosion' be a queer combination. When that day finally arrives we shall indeed have farms and forests, but no erosion." See above, p. 26, for a discussion of Raphael Zon's The Future Use of Land in the United States (1909). Note that Mr. Zon and Mr. Dana were both members of the Forest Service, as was W. B. Greeley. The importance of catastrophes in implementing action cannot be overstressed as a factor in public administration. Note that the deaths from the use of sulfanilamide gave impetus to the passage of the Food, Drug and Cosmetic Act of 1938.

³⁰See Regional Survey of New York, Vol. II, p. 113, where, in 1923, Ernest Goodrich, after consultation with the Department of Agriculture, was still predicting a national population of 300,000,000 for 1965, as a basis for predicting the population of the New York region.

⁸¹L. C. Gray, address at the B.A.E. Conference on Agricultural Planning, Washington, D. C., March 22, 1939.

confirmed for many the serious scarcity of agricultural lands. L. C. Gray points out that while the shortage of food was generally attributed to scarcity of land, it actually resulted from the absence of millions of men in the armed forces and in war industries. Previous poor seasons in this country, the decrease of production areas, and the shortage of fertilizers and of work animals in Europe contributed to the scarcity. "This was the background of the Crosser Bill fostered by the Department of Labor and of the Lane-Mondell Bill supported by the Department of the Interior, both providing for government colonization. The close of the war saw the realization of this idea in the veterans' colonies." The collapse in farm prices in the twenties, however, compelled the disconcerting realization that no matter how optimistic our views on the increase in our population, there was no prospect that it would soon absorb the vast productive capacity of our farms as stimulated by the World War.

Though the frontier had disappeared and desirable free lands became ever scarcer, belief in the "land of unlimited opportunity" continued to beguile those who did not, or would not, meet the truth. "Don't sell this country short!" was the way Arthur Brisbane put it in a repetitive staccato during the late twenties.³³ The steady increase in number and per cent of tenant farmers made it clear that "unlimited opportunity" did not mean unlimited free land. Of course, there had been tenant farmers in the United States even before the Revolution, and they represented slightly more than 25 per cent of all farmers in 1880. But earlier opportunities for tenants to move to farms of their own had been abundant. These opportunities had almost disappeared in the twenties, when the number of tenants exceeded 2,500,000 and represented over 42 per cent of the farm population.³⁴

It has been said that in earlier years farming was the only industry in which a person could lose money all his life and die rich. Between 1850 and 1920 only one census, that of 1900, failed to show an important increase in farm real-estate values. An average price of \$11.14 per acre in 1850 became more than six times as great, or \$69.38, by 1920. Certainly this was a gala era for the speculator, whatever the consequences to the land. Based upon this record of increasing values and the

 $^{^{32}}$ I bid .

³⁸ See above, p. 126, N. 3. J. P. Morgan, the elder, had used this phrase even earlier.

³⁴ These figures do not indicate any fundamental evil in farm tenancy. It is the absence of a broad understanding of the real value of the tenant, and hence the inadequacy of prevailing landlord-tenant relations, which gives rise to the serious problems of tenancy. Abundant free or cheap land checked the pressure of an exploitative tenancy system.

optimistic belief in a continuance of the same trend far into the future, excessive debts and interest charges were easily and fearlessly assumed. But the collapse of farm prices in 1920 and the resultant decline in farm values that continued through the next thirteen years translated the prevailing financial system into countless tragic experiences. Despite the staggering increase in farm values credit and refinancing became so liberal that between 1910 and 1920 the increase in farm debt outstripped the rise in farm values. With the lowered prices for farm produce those who did not lose their land because of excessive debt were compelled to mine the soil fertility in an effort to meet fixed obligations. The seriousness of this condition was severely aggravated by the persistence with which farm taxes continued to mount until 1929.

The failure to protect the nation's stake in land resources was now dramatically demonstrated. The long period of expansion and exploitation had left its marks. Increasing floods, cutover forest lands and ghost towns, abandoned farms and the loss of homesteads, tenancy, soil erosion, and siltation of waterways and of reservoirs bespoke the consequences of waste and abuse. Society had the right to be troubled about such problems. Had the evil effects of the misuse of land been confined to the owner of such land, that would have been bad enough. But the nation was justly concerned when the soil that blew from one man's farm not only destroyed it but seriously impaired the value of his neighbor's land and threatened the health of people two thousand miles away; or when soil that washed away was carried into streams and waterways, not only spoiling the ordinary use of such water but silting the reservoirs behind expensive dams and threatening their value. Clearly these problems, if not caused by the misuse of private lands, had been seriously aggravated by it. Improved management of the remaining public domain would help but certainly would not solve the problem. Earlier policies of public ownership, extended to correct all abuses of the land, would be impossible. Furthermore, it was felt that the landowner could be made to realize that his real interest demanded the management of his property so as to conserve and not to destroy or even to impair his major capital asset. Not until after careful investigation of the reasons for such widespread mismanagement was the full import of national and international economic forces revealed.

Public Interest in Private Land Use

We have seen that the factors contributing to the farm problem extended far back into the history of the nation. A continuing agricultural

prosperity, however shaky its foundation, delayed the formulation of a comprehensive program for attacking the problem on all fronts. Agriculture reached the end of its heyday in 1920. The validity of the assumption that the farmer, given adequate information, would solve his own problems was exploded, though it remained clear that no solution was possible without conscientious farmer participation. The prevailing concepts of agricultural technology and farm management became clearly inadequate as solutions of the problems that became increasingly severe and involved. That there was need for something more than individual action, guided by research and education, became clear during the twenties. Although belief in the older relationships between the national government and the farmers dominated legislative policy until the passage of the Agricultural Marketing Act of 1929, the basis of many programs eventually to be formalized by legislation was laid in the thinking, research, and pressures of this period.

Development of the Change in Policy

The first important event of note in this connection took place in 1018 when Secretary Houston called to Washington recognized authorities in farm management and asked them to appraise the activities of the Office of Farm Management and to recommend fields of agricultural policy that might properly be explored by that Office.³⁵ Separate conferences were later held to indicate in greater detail the nature of the projects proposed by the first group. Of the eight projects finally approved, one pertained directly to land economics (land utilization), "involving the consideration of land resources, values, ownership and tenancy, settlement and colonization, and land policies."36 One of the new divisions of the Office of Farm Management set up to undertake the expanded research was to be devoted to land problems and, at the suggestion of L. C. Gray, was named the Division of Land Economics. In time this Division acquired the unit working on agricultural geography under O. E. Baker; on its creation, the Division became a part of the B.A.E. Early studies were devoted to land-boom phenomena, credit facilities to tenants for land purchases, the landlord-tenant contract, and land settlement in the cutover areas of the Lake States.

Reflective of the notion of an increasing pressure of population on

36 Department of Agriculture, Yearbook of the Department of Agriculture (1919), pp. 35-37.

³⁵For a report of this conference see Circular No. 132 of the Office of the Secretary, Department of Agriculture (1918).

agricultural production was the appointment in 1921 by Secretary Henry C. Wallace of a departmental committee to survey the lands not being used for crop production and to determine how they might best contribute to an increased agricultural production as needed. One year later a qualification of this view appeared in the report of the Secretary:³⁷

The American people have commonly believed that all our arable lands are agricultural, virtually regardless of soil, topography, location, or climate. We are only now beginning to understand . . . that this belief rests on a serious misconception. Agricultural economists are coming to the conviction that the future tendency in farming will be toward more and more intensive cultivation of the better lands, with higher production and relatively lower costs. The lands upon which the margin of profit will be very small or uncertain because of poor soil, climate, topography, or location will tend to pass out of cultivation. This will be all the more true of soils which can be made to yield materially higher returns from other forms of use.

The report of the departmental committee on land utilization, published in the 1923 Agriculture Yearbook, shed new light on the ratio of productive lands to population. The report noted the reduction in the rate of population growth but pointed out that there was a relative abundance of arable land for a much greater population than could reasonably be anticipated. The real needs were to prevent the evils of excessive and misdirected expansion of land settlement and to direct the utilization of land resources in accordance with regional variations and with essential and economic adjustments. The report concluded with a most significant plea for administrative integration of the many governmental functions involved in land policy:³⁸

Unfortunately during the past 100 years the different functions connected with land policy have been distributed among various governmental agencies. As one looks into the future, however, it becomes apparent that we are entering an economic era in which the various functions involved in working out the new policies are vitally interrelated, requiring unification in administration. Only by such unity of policy and of execution can ill-considered and excessive expansion and rapid but wasteful utilization be supplanted by deliberate selection, careful economy, and constructive development with due reference to the long-time requirements of the nation.

³⁷ *Ibid.*, 1922, pp. 89-90.

³⁸Ibid., 1923, p. 506. In addition to agencies of the Department of Agriculture, the Geological Survey, the Land Office, and the Park Service of the Department of the Interior, and the Army Corps of Engineers of the War Department would have to be included in any unified program.

The Secretary, in his report for 1924, referred to the departmental studies of land resources, farm tenure, land value, and land income as an important phase of its economic research. It was clear that much of the agricultural distress was the result of misfit land policies and systems of farming, that land classification was necessary in order to bring about the use of lands for the purposes to which they were best suited, that additional land reclamation at that time would aggravate the farm problem, and, since a considerable amount of land tenancy was necessary, that the important thing was for tenant agreements to be fair to owners and renters. In his report for 1925 the Secretary emphasized the value of furnishing farmers with economic information that would serve as a guide to intelligent production and, in time, measurably reduce the fluctuation of unbalanced production. In the 1926 report, however, he stated that the solution of the farm problem was not simply in the disposal of surpluses. Debt, taxation, costs on the farm, transportation charges, as well as adjustment of crop production, would have to be dealt with. There also appeared this significant statement:39

We are beginning to see that a healthy and prosperous rural life must be based on sound use of land, that public policies which fly in the face of economic laws do not promote permanent welfare, and that to convert forest land and pasture land into submarginal agricultural land has broader consequences than those which fall on the individual farmer and his family, or even on the local community.

Despite the excessive capacity of agricultural production powerful interests continued to stimulate the expansion of the nation's farm area and sought to enlist for that purpose the funds and the initiative of the national government. In 1927 the Secretary expressed his concern over this situation and insisted that with a huge reservoir of potential farm lands the problem was not how to force those lands under the plow but how to allocate them among major uses so as to assure their profitable use. Furthermore, he expressed in mild terms the desirability of influencing the use of private lands through investigation and helpful direction by government.⁴⁰

⁸⁹ *Ibid.*, 1926, p. 113.

"The time has come to go a step further in our conception of the rights of the individual

⁴⁰Seven years earlier W. B. Greeley had made a stronger plea: "We have been very loath in the United States, with its abundant natural resources, to place any restrictions upon the freedom of the individual in using his own property. We have scarcely gone beyond restraints essential to prevent an actual menace to one's neighbors, like a fire trap in a thickly settled city, or a source of disease, or failure to exterminate noxious insects and plants.

The Campaign for Soil Erosion Control

The dangers attending soil erosion and the need for a national awakening to the urgency of a direct governmental attack upon this problem were, as we have seen, set forth by H. H. Bennett. One of the most important contributions to a broader national policy of land utilization resulted from Mr. Bennett's campaign for soil erosion control. L. C. Gray has pointed out that the Department had a research program on erosion "but was content to rest on research. Mr. Bennett, however, was a crusader fired with an enthusiasm that could not be dampened by the skepticism of some of his research-minded associates." ⁴¹ And he continued to press his theme upon the public and his colleagues. "In the near future," he said, "the nation will have to deal with the erosion problem.... The sooner the problem is attacked the greater will be the saving in farm and ranch solvency."42

The success with which H. H. Bennett advanced his campaign for erosion control is particularly significant. That he was not the first to point to the seriousness of soil erosion emphasizes the importance of his contribution and also the suitability of the setting for his campaign in the late twenties. Franklin H. King, Charles R. Van Hise, Samuel T. Dana, and others⁴³ who earlier warned of the consequences of erosion had not only to meet the prevailing concepts of land policy but themselves, to some extent at least, reflected those concepts. The abundance of free or cheap lands had not been conducive to careful husbandry by those who took pride in wearing out two or three farms in a lifetime. The general anticipation of a great pressure of population on agricultural resources justified the expansion of farming into submarginal areas; the peculiar reverence for unrestricted private property rights made even the suggestion of governmental regulation unpopular.

In the twenties, however, the remaining public lands were not well suited for agricultural uses, and the indiscriminate disposal of them

as compared with the interests of the people as a whole. Lands which contain important natural resources can no longer be viewed as merely the property of their owners, with no obligation to the welfare of the country at large. Rather should they be regarded, in a sense, as public utilities." Yearbook of the Department of Agriculture (1920), pp. 155-56. Mr. Greeley was another farsighted member of the Forest Service.

⁴² Yearbook of Agriculture, 1928, p. 547.
⁴³ Franklin H. King, Farmers of Forty Centuries (1911). It is significant to note that all these men (and we might add Raphael Zon) were civil servants. In their efforts they created a "public" that would eventually grow into a powerful force behind national land

was seriously questioned. Agricultural surpluses and new interpretations of population growth devitalized the fears of food shortages; some leaders suggested that unrestricted private use of lands was in conflict with interests of society, which should be protected by governmental action. Technology, too, played its part in perfecting the setting. The automobile gave to millions a mobility that brought within their horizons relatively huge areas and brought to their view the ravages of erosion. Perhaps the increasing use of the airplane gave to many a startlingly dramatic view of gulleys and of other evidences of erosion in areas that from the ground appeared, to the uninitiated at least, relatively stable.

All these factors, with the long period of drought that had started in 1915, made the public increasingly receptive to the need for soil erosion control. The problem's solution, however, required careful research. Various investigations dealing with the erosion problem had been carried on by the Forest Service, the Weather Bureau, the Bureau of Chemistry and Soils, and the Bureau of Public Roads. But these studies were undertaken more or less independently. Increased public interest in soil and moisture conservation, however, led to a Congressional appropriation to the Bureau of Chemistry and Soils for the fiscal year 1930 for soil erosion investigations. The Secretary was thereby authorized to investigate the causes of soil erosion and the possibility of increasing rainfall absorption and to devise means of preserving soil, of preventing or controlling erosion, and of conserving rainfall by terracing or other means "independently or in cooperation with other branches of the Government, State agencies, counties, farm organizations, associations of businessmen [and] individuals."44

The Secretary recommended that the remedy for overextended agriculture was in curtailed production and that the place to curtail was on the submarginal lands, where returns were least profitable. Not only should further expansion of agriculture be held in check, but also cultivation of submarginal lands should be stopped. He emphasized, however, that this measure required a positive land policy, that the task should not be thought of as merely a means to restrict the use of land, for such an effort would meet with substantial resistance. The Department should develop economic land classification with the full-

⁴⁴ Report of the Secretary of Agriculture, 1929, p. 46.

⁴⁵Note that surplus problems and conservation problems come together in a common channel of land use. We shall see this common channel grow deeper and wider as new activities develop.

est possible cooperation of the states and with a view to changes in tax systems, to the regrouping of population in sparsely settled areas, to the reorganization of local governmental units, to the extensive public ownership of lands where they could be made to serve their purpose in no other way, to the establishment of demonstration areas, and to other means of educating the landowners to methods of handling their lands profitably and efficiently. It was becoming clear that land utilization embraced many subjects that had heretofore been considered the independent prerogative of separate operating agencies.

State Interest in Land-Use Problems

State governments, too, were developing interest in land-utilization problems. The Report of the New York State Commission of Housing and Regional Planning, released in 1926 and usually referred to as the pioneer state planning report in the modern sense, contained an inventory of the state's assets, a historical description of the use of its natural resources, and the then current trends of such use. The ecological relationships between the people and the land would justify the adaptation of submarginal lands to public uses. Lands uneconomic for farming could be used to develop public forests and, as such, not only would contribute to the timber requirements of the state and region, but, in the Adirondack and Catskill Mountains particularly, would protect vital water resources and help supply the need for additional recreational areas. At the same time, isolated settlements for which public services had to be provided at great cost could be eliminated.

An economic survey of land problems of the cutover area was inaugurated by Michigan; similar efforts were made by other states. The Wisconsin Regional Planning Committee and the Illinois State Planning Committee were created in 1929; the Trustees of Public Reservations (a private organization) was advancing state planning in Massachusetts; a state plan for conservation was inaugurated by the Iowa State Conservation Commission. Development of state-wide efforts in land utilization had, of course, been preceded by an extensive record of city planning reaching back to the early development of the nation, stimulated by the Chicago World's Fair of 1893 and gradually expanded in scope to include the planning of metropolitan regions and counties. It was preceded, too, by the organization of various state agencies, conservation commissions, fish and game commissions, departments of game and fish management, and others created during the

general conservation movement. The planning programs developed later largely from the need for state coordination of the planning, research, and operating functions in different fields.

Coordination of Land-Use Activities

During the late twenties one other strand in the evolution of a comprehensive land policy was important. The idea of an over-all agency of the national government with responsibility for the integration or coordination of the land-use activities of many agencies developed from the efforts to bring together the doctrines of urban and rural planning and the research in land use which had been undertaken independently by various governmental units. The Committee on Bases of Sound Land Policy, under the chairmanship of Frederic A. Delano, 46 brought together for the first time specialists in agriculture, forestry, physical sciences, engineering, city planning, parks, and land economics for extensive discussion of the interrelations existing among the various land uses and for the study of data and conclusions of a number of federal agencies.

This Committee was active in 1927 and 1928 and published a summary of its findings in 1929, What About the Year 2000?. It attempted a rough inventory of the land resources of the nation and a forecast of the principal surface uses of land by 1950 and 2000. A vast store of pertinent information was discovered in many bureaus, but because of legal restrictions, "comprehensive treatises covering subject matter outside of that assigned to the Bureau making the study are seldom possible, even when several bureaus are within the same Department."47 The studies in land classification undertaken by national and state agencies were held to be most important. But it was felt that some kind of national land committee or commission to outline a comprehensive program based upon the coordination of different land classification surveys would provide a guide for public officials and private persons in the determination of the best use of nonurban lands. All available data were analyzed from a national point of view, and the findings of the Committee indicated the need for comprehensive national land-use planning. 48 The mistakes of the past might be impos-

⁴⁶Later to become Chairman of the National Resources Planning Board.

⁴⁷What About the Year 2000? (1929), p. v; for membership of the Committee see

p. viii.

48 A pioneer work on national planning was the book by Cyrus Kehr, A Nation Plan

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48 A pioneer work on national planning was the book by Cyrus Kehr, A Nation Plan (New York: Oxford University Press, 1926). In his preface the author indicated the scope of his work as follows: "The aim of this book is to point the way to the carrying on of

sible to correct, but future errors, it was felt, could be avoided. Striking inconsistencies in the different governmental programs were revealed. One branch of the government grappled with the problem of surplus oils while another canceled leases of oil lands because of failure to drill wells by a specified time. Despite strikes, bankruptcies, and other forms of economic distress in the coal industry, additional coal lands were leased by the government under a stipulation of minimum production. While the problem of agricultural surpluses challenged the efforts of Congress and the Department, appropriations were made for the reclamation of more land. A way should be found to reconcile all land uses to each other:⁴⁹

Just as progressive cities have been forced to abandon piecemeal planning, there are indications that the Nation will ultimately abandon piecemeal planning in favor of comprehensive land-planning, that is, there will be a conscious effort to establish control, through planning in advance, of the use of public and private land and its resources in the interests of the country, state, or region as a whole.

public or civic work starting with the larger area and planning progressively downward to smaller and smaller features or factors. It is the author's conviction that the best communication over the area, the best co-ordination and most economical construction, maintenance, and service will be had through this broader planning. In short, any area, whatever its size, should be planned, not in parts or fragments, but with a general plan structure extending over that area and consisting of major factors in relation with which subordinate planning may later be developed. The author undertakes to embody these principles in a proposal for a plan for the physical development of the United States of America. The dominating consideration is the improvement of communication, a better distribution of increasing population, a better use of land. An incidental aim is to compare nation planning with city planning, which is already accepted in theory and in an increasing number of communities put into practice. It is also intended to show that this larger planning should have intimate bearing upon economics and sociology, in fact upon every phase of human interest and welfare.

"In the text it is sought first to present argument relative to the broader planning—the broader civic effort. It is sought next to outline the benefits to be derived from taking our nation as a planning area, and to state reasons why there should be such a plan. Then the text states of what the plan is to consist, and what is not to be included; how the plan is to be prepared, and its execution carried out progressively from time to time. The greater part of the book is devoted to a discussion of the application of such a plan to the United States of America, with a fairly detailed treatment of individual factors. Among the matters of general interest treated are the improvement of transportation, including highways, waterways, railways, and seaports; the resulting better distribution of population and industries; the 'zoning' of immigrants and the handling of surplus labor; the promotion of conservation; and the relation of all these to social betterment. Throughout the text it is intended to say that everything pertaining to this Nation Plan, including its execution, is to be under the jurisdiction and direction of the national government."

Although the book was published in 1926, the author notes that the manuscript "was written during the World War.... The years of the World War and immediately following were, however, not suitable for the publication of such a book. As now published, the book is essentially in its original form." This is another example of the war period as an interregnum in fundamental social progress.

49 What About the Year 2000?, pp. 13-14.

On several fronts progress toward a well-formulated land-use policy proceeded rapidly, but, though the need for integration was understood by many, a single comprehensive program had not yet been formulated embracing a simultaneous attack upon all parts of the farm program and directed to a common objective. The unbalanced farm income, tenancy, submarginal lands, soil erosion, and excessive debts each inspired champions and programs, yet an integrated assault remained for the future. It is significant that the then Chief of the B.A.E., Nils A. Olsen, in his foreword to *Land Utilization and the Farm Problem*, stated in 1930:⁵⁰

An economic program of agricultural production that will contribute substantially to agricultural betterment must cope with three major problems: (1) The adjustment of supplies both in quantity and quality to world competition and market requirements, (2) increasing efficiency in production and resulting lower costs of production, and (3) the elimination of submarginal land from cultivation and the maintenance of an economic balance between agriculture on the one hand and other economic activities on the other.

He concluded that the nation should without further delay replace the planless policy of agricultural development with programs, in addition to research and education, that would facilitate essential agricultural adjustments.

Land-Use Conference

One year later Arthur M. Hyde, Secretary of Agriculture, and the Executive Committee of the Association of Land Grant Colleges and Universities called the famous National Conference on Land Utilization. The preamble to the report of the Commission on Summaries and Conclusions, as amended and adopted by the Conference, called for the cooperation of all groups in formulating new land-use policies and for unity and coordination in the application of these policies to private as well as to public lands.⁵¹ Among a group of specific recommendations

⁵⁰Department of Agriculture, Misc. Pub. No. 97, November, 1930.

"The following were among the many topics considered by the committee and furnished much of the basis for its recommendations: An inventory of land resources as a basis of

⁵¹It therefore becomes imperative for all groups connected with land use to cooperate in formulating new policies which shall be actively addressed, through adequate and unified organization and coordination, to the intelligent use of all publicly and privately owned land whether or not it be submarginal or supermarginal. The central purposes of these policies should be to develop and conserve our land resources in such manner as to provide adequately for our present and future needs. Any adequate land policy must provide for the preservation of soil fertility, must aid toward adjustment of production to demand, must provide for economic use of marginal lands, and in other ways must make for the security of agriculture.

calculated to effect this policy, the Committee urged the creation of a national land-use planning committee representing various agencies of the national government and the land-grant colleges and the creation of a national advisory and legislative committee on land use representing a varied group of organizations.

The calling of this conference jointly by the national Department of Agriculture and the Executive Committee of the Association of Land Grant Colleges and Universities again showed that the whole land-use problem was not exclusively within the jurisdiction either of the national government or of the state governments. Certain recommendations of the conference, particularly on taxation, tax-delinquent lands, and the maintenance of local forests, game refuges, and recreational centers, revealed the important part to be played by local units of government. The report of the conference also significantly emphasized the need for intelligent use of private lands and recommended that every effort be made to promote a sound type of private land utilization. The increasing emphasis upon the wise use of private as well as public lands represented a significant shift from the older emphasis on conservation. It was no longer a matter merely of preserving resources for future enjoyment but of using the nation's resources so as to contribute to a present, as well as a future, improvement in the national life.

The report of the Forest Service in response to Senate Resolution 175, 52 introduced by Senator Royal S. Copeland and agreed to by the Senate on March 10, 1932, represented the most comprehensive and exhaustive survey of the nation's forest resources up to that time.⁵³ The direct and related social and economic aspects of forests were explored; the conclusion was that practically all the major forestry problems grew out of private ownership. Although extension of public ownership of forest lands was urgently recommended, the public regulation of private holdings was recognized as a legitimate governmental function 54

land use; the indication of crop areas and their limits; indication of range economic returns by soil regions; intensification of production; acquisition of land by the public; management of public lands; population; taxation; reclamation; and rural credits." Proceedings of the National Conference on Land Utilization, Chicago, November 19-21, 1931, pp. 240-41.

⁵² 72nd Cong., 1st sess.
⁵³ A National Plan for American Forestry (1933). An act of Congress of 1928, 45 Stat.

L. 699, authorized appropriations for extensive forestry research through the Forest Service, in cooperation with the states, and through forest experiment stations. The information developed pursuant to this authorization formed the basis for this report.

⁵⁴ For a discussion of land-use control in European countries see Brandt, "Public Control of Land Use in Europe," Journal of Farm Economics, February, 1939; this article also throws light upon many land problems in this country.

LAND USE AND THE NEW DEAL

Conservation programs confined primarily to nonagricultural lands and based upon public ownership as the remedy for misuse were the outstanding developments in the land policy of the United States until 1933. But, partly because of the conservation movement, partly because forces of early origin appeared in unmistakable terms, a national consciousness of, and interest in, natural resources problems had been established. From various sources separate streams of thought arose as solutions to land-use problems. The way had been cleared for the

programs that would emerge with the New Deal.55

As Governor of New York, Franklin D. Roosevelt was interested actively in land-use problems. Under his administration a comprehensive land survey was undertaken, to include a classification of land for agricultural, forest, recreation, or residential purposes and an analysis of current uses and best adaptations of lands; an amendment to the state constitution was adopted which provided for the acquisition and reforestation of land outside the Adirondack and Catskill Parks; efforts were made to develop the St. Lawrence River; and state land-use planning was advanced. The Governor made important public addresses in which he emphasized the importance of land-use planning—particularly before the New York State Agricultural Society on January 21, 1931, before the Conference of Governors on June 2, 1931, at the Round Table on Regionalism at the Institute of Public Affairs at the University of Virginia in July, 1931, and before the National Country Life Conference in August, 1931. In a campaign speech at Topeka, Kansas, on September 13, 1932, the Governor outlined his program for agricultural relief, which included "a definite policy looking to the planned use of land."57

Expansion of Land-Use Activities

Thus, to the presidency of the United States Franklin D. Roosevelt brought a sympathetic and active interest in land utilization. Under

55 "When the seriousness of the North American position became recognized, the great publicity connected with the national conservation drive, both in the American Congress and in the Departments concerned, caused the American problem to become well known and appreciated, almost to exaggeration, throughout the world." Jacks and Whyte op. cit.,

At the White House tea for King George and Queen Elizabeth, at which selected agency heads were invited to answer questions about the work of the United States government departments, the King asked the Secretary of Agriculture about our dust storms and erosion.

the was his only question on American agriculture. L.O.W.

58 See Franklin D. Roosevelt, "Actualities of Agricultural Planning," in C. A. Beard (ed.), America Faces the Future (1932), pp. 325-50.

68 The Evening Star, Washington, D. C., September 14, 1932, p. A-3.

his leadership many new programs were born. The T.V.A., the C.C.C., the Soil Erosion Service, and the Subsistence Homesteads Division were projects designed to apply the principles of land use and state planning on a large scale. Important as was presidential support in the creation of these and other land-use programs, it should be remembered, however, that the previous research and planning by agencies such as the Forest Service, and by individuals such as H. H. Bennett and Rexford G. Tugwell (the latter of whom had been brought to Washington by the President) expedited the development and administration of such projects.

With the coming of the New Deal we find also the creation of a national resources planning agency. Previously, as we have noted, national planning had been recommended as a means of facilitating national and state interdepartmental coordination and the integration of the functions and jurisdictions of different levels of government in order to make more effective the administration of land-use programs. It was not until 1933, however, that the national government established an agency to accomplish these objectives. Pursuant to Title II of the National Industrial Recovery Act of 1933, 58 the National Planning Board of the P.W.A. was established. By executive order the National Resources Board was created on June 30, 1934, as successor to the National Planning Board; this was in turn succeeded by and merged into the National Resources Committee, 59 set up by Executive Order No. 7065, dated July 7, 1935. Though it had no permanent basis, this formally constituted planning staff of the national executive had functions in the area of natural resources. Furthermore, stimulated by the National Planning Board, forty-five state planning boards had been established by June, 1935.60

New programs affecting land use were created in great number after 1933. Many of these, such as C.C.C., F.C.A., P.W.A., T.V.A., R.E.A., W.P.A., Resettlement Administration and the R.F.C., were assigned to newly established governmental divisions. The administration of the Taylor Grazing Act of 1934 and, temporarily, of the Soil Erosion Service and Subsistence Homesteads Division was placed in the Department of the Interior. The greatest concentration of new land-use activities, however, was in the Department of Agriculture. The first of these

^{58 48} Stat. L. 195.

⁵⁰The National Resources Planning Board under Reorganization Order No. 1, July 1,

<sup>1939.
60</sup> State Planning, National Resources Board, 1935. The significance of the large number is qualified by the relative inactivity of many of these state planning boards because of inadequate appropriations or other limitations.

programs was authorized by the Agricultural Adjustment Act of 1933. This Act was designed primarily to control the production of basic farm commodities. Nevertheless, recognition of the importance of conservation prompted formulation of the A.A.A. program so as to encourage the shifting of those acres diverted from major crops that were soil depleting to crops or uses that tended to conserve, improve, or check erosion of soil. On October 25, 1935, President Roosevelt, in discussing this program, made the following statement:⁶¹

As I see it, this program has two principal objectives: First, to carry out the declared policy of Congress to maintain and increase the gains thus far made, thereby avoiding the danger of a slump back into the conditions brought about by our national neglect of agriculture. Second, to broaden present adjustment operations so as to give farmers increasing incentives for conservation and efficient use of the Nation's soil resources.

The long-time and more permanent adjustment program will provide positive incentives for soil conservation. The benefit payments can be made on a basis that will encourage individual farmers to adopt sound farm management, crop rotation, and soil conservation methods. The crop insurance feature afforded by benefit payments will help farmers to maintain these beneficial systems of farming without interruption in poor crop years. Long-time adjustments can be adapted to natural soil advantages of regions and localities. Already the adjustment administration has under way local studies to help in working out farm programs on a county basis, so as to fit the best permanent use of the varying soil resources of the country up to that county's share of available domestic and foreign markets. Thus, plans are being worked out that should encourage widespread cooperation of farmers in a permanent national soil-maintenance program.

Interestingly enough, this statement was made by the President more than two months before the United States Supreme Court, in its decision in the *Hoosac Mills* case,⁶² declared the acreage adjustment and processing sections of the Agricultural Adjustment Act of 1933 unconstitutional. The Soil Conservation and Domestic Allotment Act,⁶³ subsequently passed by Congress, gave legal emphasis to the soil preservation and improvement aspects of the agricultural adjustment program by the encouragement of soil-conserving and soil-building, rather than soil-depleting, practices.

63 49 Stat. L. 1148.

⁶¹ Issued at the White House in mimeographed form as a statement to the press. ⁶² U.S. v. Butler, 297 U.S. 1 (1936).

Reorganization of Land-Use Agencies

The Soil Erosion Service was transferred from the Department of the Interior to the Department of Agriculture by an administrative order signed by the Secretary of the Interior on March 23, 1935. Under the Soil Erosion Act of April 27, 1935,64 the Secretary of Agriculture was given extensive powers for the protection of land resources against soil erosion and was specifically directed to establish an agency to be known as the Soil Conservation Service. This Service, thereupon, became a permanent, Congressionally created agency in the Department and became the successor to the Soil Erosion Service.

The Farm Security Administration, which, by Memorandum No. 732 of the Secretary of Agriculture, dated September 1, 1937, succeeded the Resettlement Administration, was made responsible for the administration of a group of programs that stemmed from different roots. The Resettlement Administration, originally an independent agency organized pursuant to the Emergency Relief Appropriation Act of 1935, absorbed the Land Policy Section of the A.A.A., the Subsistence Homesteads Division of the Department of the Interior, and the Rural Rehabilitation Division of the F.E.R.A. The entire Administration was transferred to the Department of Agriculture by an executive order dated December 31, 1936.65 The F.S.A. succeeded to all the activities of the Resettlement Administration with the exception of the landutilization program, which was then transferred to the B.A.E. The F.S.A. was designated also to carry out the farm-tenant aid and rural rehabilitation programs under Titles I and II of the Bankhead-Jones Farm Tenant Act. 66

Flood and Water Facilities Programs

For three decades two schools of thought argued and fought over the proper method of controlling floods. One contended that downstream engineering structures were most satisfactory; the other, that upstream retardation of water flow was an essential complement to, if not better than, downstream projects. The engineering approach had continuously dominated the flood control scene. Under the Flood Control Act of 1936, however, a program of upstream flood control operations was inaugurated, and the Department was assigned responsibility for carrying it out. "Federal investigation of watersheds and

⁶⁴ 49 *Stat. L.* 163. ⁶⁵ No. 7530.

^{66 50} Stat. L. 522.

measures for run-off and water-flow retardation and soil erosion prevention on watersheds shall be under the jurisdiction of and shall be prosecuted by the Department of Agriculture."67 Though the measures of watershed protection to be established were intended to protect downstream projects, the Department had a new program, which in restricted areas embraced the whole land-use problem. The Omnibus Flood Control Act of 1938 extended the program materially by authorizing, in addition to research, appropriations for works of improvement.

The water facilities program was another new and important landuse project of the Department. Its purpose was to assist in providing water-storage and water-utilization facilities in the arid and semiarid regions but only where proper land use would be promoted. Sig-

nificantly, the Water Facilities Act of 1937 68 provided that

The Secretary of Agriculture, in administering the provisions of this Act, shall utilize the officers, employees, and facilities of agencies within the Department of Agriculture whose functions are related to the program provided for in this Act, and may allot to such agencies or transfer to such other agencies of the Federal Government as he may request to assist in carrying out any of the provisions of this Act, any funds available for the purposes of this Act.

Thus, under this Act the Secretary was free to assign administrative responsibilities to one or more existing agencies and to make changes that appeared necessary to the most effective administration of the program. No such administrative flexibility was provided either in the agricultural adjustment program or in the erosion control program: the agencies authorized to carry out these activities were specified by statute.

Wildlife and Forestry Activities Extended

The wildlife conservation activities of the Bureau of Biological Survey 69 were extended by the acquisition of new refuges under the submarginal land-utilization program and the significant program authorized by the Pittman-Robertson Act of 1937.70 This Act—also known as the Federal Aid to Wildlife Act—authorized an annual appropriation of funds to the Department equal to the 10 per cent tax on arms and ammunition. These funds were to be allocated to the states as assistance for research and for the acquisition and development of wildlife restora-

 ⁶⁸ 49 Stat. L. 1570, sec. 2.
 ⁶⁸ 50 Stat. L. 869.
 ⁶⁰ Transferred on July 1, 1939, to the Department of the Interior. 70 50 Stat. L. 917.

tion projects. The program substantially influenced land utilization, particularly concerning wildlife, forestry, and soil and water conserva-

tion, wherever projects were developed.

The national forestry program was expanded significantly. "A major element of the physioecologic pattern of the United States is the onethird of its area (615,000,000 acres) from which the highest permanent economic and social service most effectively can be derived through the media of forests."71 Since 1005 when Congress consolidated the technical and scientific forestry work in the Department and the actual administration of the national forests (previously vested in the Department of the Interior), the responsibility of the Department in the nation's forest program has been frequently and extensively increased. The acquisition of forest lands by purchase was inaugurated by the act of March 1, 1911,⁷² and extended by the Clarke-McNary Act of 1924. The latter Act also authorized cooperative production and distribution of trees "for the purpose of establishing wind breaks, shelter belts, and farm wood lots upon denuded or nonforested lands within such cooperating States."73

After 1933 the forest activities already established were expanded and new ones were developed. The Department was assigned a majority of the C.C.C. camps, most of which were under the supervision of the Forest Service; through them improvements were made in forest management. Other emergency activities contributed to the forestry program. Large additions to national forests were made under various relief programs; work projects added roads, trails, bridges, dams, fire-lookout towers, and other improvements; and the plains shelterbelt project, created by presidential executive order, permitted experimental forestry activities in relation to the control of wind and water erosion in the prairie states.

The timber salvage and hazard reduction work in New England following the hurricane of 1938 gave the Forest Service an opportunity to do important improvement work in that region. In 1935 the Fulmer Act 74 authorized the national government to purchase forest lands and to turn them over to the states; the states would gradually reimburse the federal government. In 1937 the Norris-Doxey Act 75 authorized

⁷¹F. A. Silcox, "The Forests-Storehouses of Economic Wealth," Soil Conservation, July, 1938, p. 22.

⁷² 36 Stat. L. 962. ⁷³ 43 Stat. L. 653, Sec. 4. ⁷⁴ 49 Stat. L. 963. ⁷⁵ 50 Stat. L. 188.

an extensive farm-forestry program in cooperation with the land-grant institutions and with state forestry agencies wherever such agencies would cooperate,

or in default of such cooperation to act directly, to produce or procure and distribute forest trees and shrub planting stock; to make necessary investigations; to advise farmers regarding the establishment, protection, and management of farm forests and forest and shrub plantations and the harvesting, utilization, and marketing of the products thereof; and to enter into cooperative agreements for the establishment, protection, and care of farm- or other forest-land tree and shrub plantings within such States and Territories.

It is significant that direct action was authorized if cooperation from state agencies was not forthcoming; the Clarke-McNary Act had authorized a farm-forestry program, but only on a matched-grant basis. Up to April, 1939,⁷⁶ Congress had not made an appropriation either under the Norris-Doxey Act or under the Fulmer Act. The two statutes, nevertheless, further indicated the extent of Congressional legislation in the land-use field.

Expansion of Other Federal Activities Affecting Land Use

By 1935 the federal-aid highway system had tied together every important center in the country. Pressure from rural areas for better roads to markets and the need for federal unemployment relief resulted in a provision in the Hayden-Cartwright Act for expenditures of federal funds on secondary roads. Since little was then known of the condition of local roads, Congress recognized the necessity for extensive research and in the Hayden-Cartwright Act of 1934 authorized the use of 1.5 per cent of the federal-aid highway funds for surveys. The highway departments of most of the states were soon cooperating with the Bureau of Public Roads 77 in a series of comprehensive highway planning surveys. Perhaps the most significant result of this research was the recognition of the important bearing of the location of highways on land utilization. The development of an area may be encouraged or discouraged by building, or by failing to build, highways to it; roadbuilding, therefore, becomes an integral part of a national land-utilization program. Chief T. H. MacDonald pointed out in 1939 that "The Bureau of Public Roads is cooperating with the other Bureaus of the

⁷⁶The first appropriation for the Norris-Doxey Act in the sum of \$300,000 was included in the Appropriation Act of June, 1939.

⁷⁷Transferred on July 1, 1939, to the Federal Works Agency.

Department of Agriculture to the end that our secondary-road program may fit in with the land-use program of the Department."⁷⁸

Other new and enlarged functions of the Department have important, even though indirect, effects upon land use. The Sugar Act of 1937 19 provided that benefit payments might be conditioned upon producer compliance with stipulated practices of soil improvement and erosion prevention. An act of June 29, 1935, authorized the Secretary to conduct research into basic principles of agriculture and also provided for a development of extension work. The surplus disposal and marketing agreement programs of the Department influenced land use primarily as they increased farm income; the crop insurance program encouraged compliance with agricultural adjustment acreage allotments and land-use practices.

Administrative Problems

Of the new and enlarged land-use activities established in the national government after 1933, it is clear that administrative responsibility for a substantial portion was assigned to the Department of Agriculture. Expansion in activities on such a scale would naturally involve serious administrative adjustments in the organization of the Department. But here there were special characteristics making the administrative problems even more complicated. In sharp contrast to national programs involving the use of the grant-in-aid, which extended across state lines, Congress placed the responsibility for most of these new programs directly in an agency of the national government without providing for delegation of that responsibility to another level of government.

Direct-Action Programs

Lines of action ran from the national government to the farms and farmers of the nation. These lines in most instances were direct; that is, they devolved through agencies of the national government—regional, state, and local—directly to the farmer. Not that the states were ignored in the administration of these programs: they were, in fact, invariably requested to participate in policy, research, planning, and action.⁸⁰ But they were not permitted to assume administrative respon-

⁷⁸U. S. Congress. House. Subcommittee of House Committee on Appropriations. 76th Cong., 1st sess., Hearings on the Agricultural Department Appropriation Bill for 1940, p. 824.

<sup>824.

70 50</sup> Stat. L. 903.

80 Of course, Congress has no authority to require state agencies to assume administrative responsibilities.

sibility. The Department was thus confronted not only by the problems ordinarily stemming from the jurisdictional relations of the national and state governments but also by those connected with the particular relationship between the Department and the state extension services and land-grant institutions.

As these direct-action programs reached the individual farmer they materially influenced the use or manner of use to which he put his farm. This influence was a significant shift in the long-standing concept of private property rights. Farmers were not, of course, coerced into complying with national regulations, but they could find ample reason to participate in programs based upon constructive land-use practices. Under the A.A.A. program, for example, an acreage allotment of soildepleting crops was set for every farm in the country. Compliance with such allotments was the basis for benefit payments and for other advantages that definitely encouraged conformity. Under the same program other payments were made on the basis of soil-building practices adopted by the farmer to achieve a goal set for his farm. Some farmers entered into agreements with the Soil Conservation Service in which the Service, in order to organize soil conservation demonstration areas, offered material advantages in return for labor, materials, and revised farming practices. Similar agreements were, and may continue to be, consummated between the Soil Conservation Service or other national agencies and soil conservation districts. Under the Bankhead-Jones Farm Tenant Act of 1937 large areas of submarginal land were purchased in order to insure not only the better use of those areas but, by fitting them into the pattern of a region, to influence the use of remaining private lands. Control over other millions of acres was acquired through purchase and easement by the Forest Service, the National Park Service, the Indian Service, and the Bureau of Biological Survey.

The two programs directed toward the use and flow of water authorized action on private lands. The Pope-Jones Water Facilities Act provided for direct aid to individual farmers and ranchers in the development of facilities for water on private lands. The flood control program, in order to protect the investments in engineering flood control structures, included measures directed to the control of flood flows and the stabilization of soils upstream. Then there were efforts to improve the status of the "lower third" of the farm population through rural rehabilitation, resettlement projects, and aid for farm tenants to become farm owners—all of which gave guidance or direction to private land use. But these efforts were not all. The authorized shelterbelt

and farm-forestry programs were calculated to influence private land use; outside the Department programs such as reconstruction finance, reclamation, and grazing had material, though indirect, effects upon farms and whole rural areas.

Democratization of Action Programs

Lines of action thus running directly to the farmer on his farm, programs, the success of which usually depended upon the extent of voluntary participation, the waiver implicit in such participation of the unrestricted right of the owner to use his property in any way he pleased all made substantial farmer support absolutely essential. One of the most significant developments in public administration was the effort to democratize the administration of these action programs. In order to permit the individual to be heard regarding his interests that were affected and in order to win his support and cooperation, he was asked to share responsibility for the administration of the programs. The activities of the A.A.A., for example, were administered with the aid of community and county committees of farmers elected by farmers. These committees had the power to allocate acreage adjustment allotments, to determine soil-building goals for the farms, and to participate in the formulation and direction of many other activities. Appeals from these committee determinations were taken to special review committees, again composed of farmers, though appointed by the Secretary of Agriculture rather than elected. Tenant-purchase committees, rural rehabilitation committees, and debt adjustment committees also appeared in the counties. Local committees were operative in the administration of the New England salvaging project, and local people were primarily responsible for the activities of soil conservation districts. Other ancillary programs became operative only after a favorable vote by members of particular groups, and some devolved to specially organized cooperatives. Local citizens, therefore, equipped with basic knowledge of the areas they represented, were in a position to appraise many of the action programs that reached them and to influence their formulation as well.

The farmer and his farm thus became the integral unit in the multiple new land-use programs. It was on the farms that these programs converged, and it was the farmer who determined the participation of his farm in them. All new land-use activities did not affect all farms. Only one, the agricultural adjustment program, embraced all agricultural lands whose owners chose to participate. Others were operative

in limited regions, in connection with specific commodities, or only in states that adopted certain enabling legislation. Generally, however, the farmer was asked to participate in more than one national program in addition to the long-established projects reaching him through the extension service and the county agent.

The extent of the government's activities in problems of land utilization reflected considerable activity by the Congress. Its authorizations for the different activities were found in a number of legislative enactments resulting from the extensive efforts of Congressmen and interest groups. But nowhere, during the time most of this legislation was formulated, was there a comprehensive legislative plan to guide the lawmakers in fitting each special activity into a single whole. While there were no really serious inconsistencies in the laws, it was not surprising that as several of them converged at the farm, serious inconsistencies developed. While one agency worked to improve the habitat of wildlife, another, seeking to reduce fire hazards, would remove the hollow logs in which local bear made their winter homes. One agency would develop a water project for wildfowl, while another drained a nearby lake in a campaign to control mosquitoes; and while one agency sought crop reduction, another reclaimed arid lands. Frequently, of course, these inconsistencies developed between projects of two different departments,81 but they also appeared far too frequently between projects of different agencies of one department, particularly the Department of Agriculture.

Start Division of Grazing in the Department of the Interior and the Forest Service in Agriculture, for example, would have to harmonize their grazing policies. Cattlemen in the West frequently use forest lands in the summer and public domain lands in the winter to run their stock. Lands under one agency are thus supplementary to lands under another in individual private operations. Without an integration of policies governing leasing and management one agency may indirectly sponsor practices incompatible to the other. One agency, for example, may permit the grazing on its lands of more cattle than the lands or the grazing standards of the other would permit. Such conditions are unsatisfactory to all concerned. The public domain had long been subjected to indiscriminate use with a resultant depletion of the range cover and the development of erosion on 98 per cent of the usable range. The Taylor Grazing Act of 1934 marked the end of the old homestead policy and made possible the management of the range through such means as regulating the number of livestock and the seasons of use. Thus, a rebuilding of the range was possible with resultant benefits not only to the Forest Service but also to the whole land problem. The significance of the Taylor Grazing Act was well stated by Hon. Edward T. Taylor in the House of Representatives on June 28, 1939: "The Taylor Grazing Act, an act which I am humbly proud to have linked with my name, removed from private settlement the major part of the public domain in order that the natural wealth of the West might be revitalized and the natural resources rescued from imminent chaos. Due to the combination of destructive elements that were eating into the very heart of the western economy, there was a very great need for a program demanding Federal attention to the public lands. This act furnishes that program. This law ought to have been enacted 20 years ago." Congressional Record, June 29, 1939, p. 11642.

Jurisdictional Integration

Congress, it is true, has given primary responsibility for national programs to agencies of the national government, but constitutional limitations of jurisdictions necessarily leave relevant spheres of authority with state and local governments. Because of jurisdictional divisions no single level of government has complete authority on an areal basis. Ecological regions, such as the Great Plains, 82 the Pacific Northwest, the Lake States Cutover Area,83 and others, embrace towns, cities, counties, states, and parts of states. Only intelligent collaboration between the different levels of government can make most effective the total activities bearing upon the particular problems of each ecological region and upon the relationship of one region to another. Furthermore, the increased effectiveness of all levels of government that results from collaboration makes each level in turn so much the more important.84 The Department, recognizing the serious need for bringing into harmonious focus the land-use activities of all levels of government, as well as the activities of its own agencies, has developed significant administrative techniques for facilitating the accomplishment of that objective. The problem has been one of coordination, and various coordinating devices have been developed.

Coordination for Particular Problems

Extensive coordination was required in the emergency program for wind erosion control. The critical situation in the Dust Bowl impelled the Congress, after receiving petitions from different states in the area, to appropriate under the Agricultural Conservation Act of 1936 an emergency relief fund of \$2,000,000 to be allocated to the states in the Great Plains for the control of wind erosion. These states had already organized a land-policy advisory committee to help tie into a constructive program the activities of all the states under the emergency appropriations. Subsequently the Department felt that its participation in guiding the use of these funds was needed and, later in 1036, sent Mr. Roy Kimmel to the Great Plains for the purpose of organizing on a permanent basis the Great Plains Committee. In 1937 the Congress reappropriated for allocation to the Great Plains states \$50,000 of the

⁸² See The Future of the Great Plains, Report of the U.S. Great Plains Committee (1936).

See also a valuable book by Ross Calvin, Sky Determines (1934).

See Forest Land Use in Wisconsin, Report of the Committee on Land Use and Forestry, Madison, Wisconsin (1932).

⁸⁴ See Regional Factors in National Planning and Development, Report of the National Resources Committee (December, 1935).

unobligated balance of the original appropriation. At the same time, however, it had become clear that the results of this emergency program had been only moderately satisfactory and that a genuinely constructive operation would require a close integration of all the available governmental facilities in the region. In June, 1937, therefore, Mr. Kimmel was appointed coordinator of the Southern Great Plains with head-quarters in Amarillo, Texas.⁸⁵

This officer works closely with the regional officials of the various departmental agencies, especially of the Agricultural Adjustment Administration, Farm Security Administration, and Soil Conservation Service. He examines plans for action developed by the bureaus and divisions and then recommends their approval or disapproval. In the field he is observing and appraising the operating effectiveness of the Department's programs. The coordinator is also working with the several State colleges and extension services, State land boards, and other State and local agencies, to the end that all efforts will be coordinated for effective action.

Many coordinated interdepartmental attacks on particular problems developed in the late thirties. Most frequently they were based upon agreements negotiated between bureaus of different departments, but some required departmental confirmation. One of the most significant examples of this type of coordination pertained to the upper Rio Grande watershed. Representatives of three agencies of the Department of Agriculture (Forest Service, F.S.A., and Soil Conservation Service) and three agencies of the Department of the Interior (Indian Service, Division of Grazing, and Public Lands) sat as the Interdepartmental Rio Grande Board with responsibility for integrating the activities of the constituent agencies and developing cooperation with other interested organizations, such as R.F.C. and F.C.A., in order to bring about the necessary permanent adjustments in the area. Another interesting example was the joint administration of the Navajo Reservation by the Soil Conservation Service of Agriculture and the Indian Service of Interior.

Coordination of the Operating Agencies

On the departmental level there had always been the need, and there had been many provisions, for the coordination of bureau activities, particularly in research, extension, information, finance, and personnel.

⁸⁵U. S. Congress. House. Subcommittee of House Committee on Appropriations. 75th Cong., 3rd sess., *Hearings on the Agricultural Department Appropriation Bill for 1939*, p. 84.

With the many new functions and increased responsibilities of the thirties, however, coordination problems became increasingly complex. Theretofore it had been reasonably possible to isolate a specific program within a single bureau. But with the new objectives in land utilization it became impossible to organize the Department in that manner. Although definite responsibilities could be assigned to specific operating agencies, they could not be exercised independently of the work of other direct-action or research units of the Department.

The Secretary of Agriculture stated that the ramifications of relationships among the Department's various agencies engaged in land-use activities were astounding and that, while coordination had, to some extent, developed naturally, there were still many fields in which deliberate efforts at coordination should be made. See Furthermore—for reasons already discussed—it was particularly important that the different levels of government coordinate their land-use activities. Consequently, on July 12, 1937, the Secretary designated an officer to serve as coordinator of land-use planning with responsibility for integrating the Department's land-use activities and for facilitating cooperation between the Department's action agencies and state and local agencies. The following year the Office of Land Use Coordination was established as a permanent part of the Secretary's Office.

Coordination among the agencies of the Department whose activities affected land use proceeded from within. Previous experience had prepared the bureaus for closely integrated efforts and had, moreover, inspired them to initiate proposals for departmental coordination. Not only newly created land-use agencies but also others of long standing and with traditions of relative autonomy were compelled, when their programs converged upon a specific farm or region, to seek harmony and mutual aid. From 1933 to 1938 more than three hundred interbureau committees or subcommittees had been established to bring about such coordination. ⁸⁷ In May, 1937, the land-use agencies and other interested bureaus had a series of conferences (held, incidentally, in the evening) to determine the most effective and inexpensive way of improving coordination of their activities. These efforts were largely responsible for the creation of the Office of Land Use Coordination,

⁸⁷ Hearings on the Agricultural Department Appropriation Bill for 1939, p. 88.

⁸⁶ Lack of harmony, and even confusion, in the application of different programs to the same farm or other area brought complaints from land-grant institutions and state extension services about the administration of these programs by the national Department of Agriculture. It was considered important to resolve these difficulties and to develop collaboration in furthering national programs.

which, under such auspices, would be able to make significant contributions.

The efforts of the operating agencies to further their coordination evidenced the importance of clearly defined objectives in the administration of a department. The programs of the land-use action agencies were all applicable to particular areal units—farm, county, watershed, dust bowl, or region. Thus, no matter how isolated the backgrounds from which the programs developed, they had, upon their application to specific areas, the common objective of improving or stabilizing such areas. It became vital for all programs operative in an area to add up to a positive whole and not to cancel one another—an objective accomplished only by close coordination. Out in the line of action, therefore, the need for coordination appeared most clearly, and there the initial efforts in this work were made.

Collaboration with State Agencies

The need for collaboration between the Department of Agriculture and state agencies, particularly the land-grant colleges and universities, is as important as intradepartmental coordination. Land use is inextricably tied to local services, institutions, laws, and cultural patterns. Submarginal lands, for example, which have been settled and farmed are the first to become tax delinquent. In their settlement and development, however, roads, schools, and other services must be provided and usually by laws compelling their continuance even when the land, some of it abandoned, some of it tax delinquent, fails to support such services. 88 These deficiencies must be charged to the remaining lands in the community or made up by the state. The submarginal land-purchase program of the Department undertook to correct such conditions in particular instances where, through purchase of uneconomic units, large areas could be blocked out for different or less-intensive usage. Such examples were, however, relatively few and their extension was necessarily limited by their great cost.

State and local governments could make important contributions to the solution of this problem with positive advantages to their own interests. Zoning and laws controlling the disposition of reverted lands would help to prevent further development of uneconomic settlements and would gradually convert submarginal lands to recreational, forest,

⁸⁸Lands in some unsettled areas, such as the Lake States Cutover Region, have also become largely tax delinquent. Frequently, however, people have been left in the wake of the timber operators to confuse the problem of local services.

or other beneficial uses. Land taxes might be so adjusted as to encourage rather than retard application of principles of good husbandry to different types of land.89 The outstanding example of such an effort was, of course, the Wisconsin Forest Crop Law. National, state, and local efforts to improve land use would complement each other with resulting gains to each level.

The Mt. Weather Agreement

Because of the too-extensive conception that national-state relations constituted an area for conflict rather than for collaboration, satisfactory working arrangements there were more slowly effected. An important contribution to close national-state relations in land use was the improved intradepartmental coordination. The resulting harmony of programs materially simplified points of contact and negotiation. Relationships in the fields of research and extension between the Department and the land-grant institutions were defined in memoranda and established by custom. The new programs, with responsibility in the Secretary, however, called for new arrangements, and over-all planning to guide the integration of all efforts became necessary. The states, as well as the Department, realized the importance of collaboration and, in 1936, the Association of Land Grant Colleges and Universities appointed a Committee on Federal-State Relations to work with a similar departmental committee. A series of joint meetings was held, culminating in the one at Mt. Weather, Virginia, from which came the significant Mt. Weather Agreement of July 8, 1938.89a Under this agreement a system of coordinated land-use planning was established to correlate existing action programs in the field and to help guide the formulation of future programs. The foundation of the system was the farmers themselves, organized into groups, called upon to participate in local planning and to bring their knowledge of local conditions to bear upon national programs. In each agricultural county of the nation the state extension service was to set up an agricultural land-use planning committee as a subcommittee of the county agricultural program-building committee; this committee would correlate the landuse plans, programs, and policies of community committees; and the efforts of the county committee were in turn to be correlated on a state basis by state agricultural land-use program or policy committees.

⁸⁰ See Donald Jackson, "Land Tax Delinquency and Land Use," Agricultural Finance Review, May, 1939.

89a See Appendix B at page 463.

This plan not only represented a most significant effort to democratize the administration of national farm programs but helped tie securely at both ends the direct lines of administration reaching from the Department to the farmer on his farm. Farmer planning committees were by no means a new technique. Indeed, for a quarter of a century the plans of groups of farmers helped to guide the programs of the Extension Service—hence practically the local impact of the activities of the Department. Although the majority of the members of the new committees were farmers (with the county agent usually serving as nonvoting secretary), local officials of national agricultural programs were included. Participating technicians aided the committees when requested and aimed at uniformity in methods so that the plans of different groups might be satisfactorily integrated for use in a larger area. Thus, planning proceeded with action, and the individual, through his community committee, might be encouraged to influence policies affecting important phases of his economic life.

In the Agreement the organization of a local land-use planning system was stressed, but it was pointed out that analysis and planning at the community level must, by successive correlations, be carried through county and state to the national level. This provision, of course, presupposed planning by the Department as well as by local and state committees. To guide on the national level the fundamentally essential integration and unification of the planning of farmers and of specialists (both of the land-grant colleges and of the Department itself), the Department would require some machinery for over-all land-use planning. Although steps in that direction had previously been taken by the Office of Land Use Coordination, they had been confined largely to the coordination of the administrative planning of the action agencies. It remained necessary to develop a process of integrating the general planning and program-building activities of the Department and a method of bringing state and local plans to the Department in usable form. The combined result would guide all the land-use activities of the Department. On October 6, 1938, therefore, the Secretary announced a fundamental reorganization of the Department. 90 Many realignments were made in order to bring related functions together, but primarily the object was to provide unified departmental planning as a guide to action, integration, and collaboration.

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⁹⁰Department of Agriculture, "Memorandum for Chiefs of Bureaus and Offices," October 6, 1938 (mimeo.). See Appendix B, p. 466.

Land utilization has become the central core of a multiple of related activities of the Department. Programs that sprang from isolated streams of thought, but all significantly influencing private property, converged at the farm; there, confronted with the same ecological factors and seeking a common objective, they intermeshed. The needs for coordination caused the creation of significant devices for intradepartmental and interdepartmental coordination and federal-state collaboration on land-use problems at areal, watershed, or regional levels and, finally, within the Department itself. Ultimately the whole Department underwent a fundamental reorganization in order to meet the increasingly urgent demands for better coordination of all land-use activities. Comparable coordination with other national agencies, however, was yet to be accomplished.

CHAPTER 9

MARKETING AND DISTRIBUTION

THE DEPARTMENT'S SUCCESS in showing the farmer how "to make two blades of grass grow where one grew before" represents a remarkable scientific accomplishment. The production of crops, however, is one thing; their disposal, quite another. More and more the farmer produced for a market. Indeed, the science of production was conducive to a single-crop type of farming; rapid transportation made large, though distant, markets accessible for the disposition of such crops. More and more the farmer became dependent upon the cash he received for his produce; any interference with the process whereby he exchanged such produce for cash became increasingly important to him. And, since such interferences developed, the farmer pressed for help from his government. The national government's response to these demands was reflected in part by the number of the Department's activities directed to marketing and distribution. As a group they constituted another one of the important clusters within the Department.

We use the two terms "marketing" and "distribution" because, though they and the activities connected with each are intimately related, they connote distinctions which should be kept in mind for an understanding of the developments in this area. "Marketing" refers to the multiple process of moving goods from the producer to the consumer: to trade transactions and to the basic adjuncts—transportation, storage, and other services—that facilitate such transactions. "Distribution" refers to that part of the economic system whereby services and the fruits of production are made available for the use of the consumer.

APPROACH TO THE PROBLEMS

The Department's more substantial marketing activities began to develop in the late seventies of the nineteenth century. They reflected pressures arising usually from particular problems incident to the marketing of specific commodities or groups of commodities, though some were calculated to protect the farmer or the public as consumer. In toto they covered different aspects of the marketing process; hence it is desirable to group them in logical divisions. Unfortunately, however,

this grouping is a difficult task, for any classification would, perforce, be arbitrary and would not eliminate overlappings. A classification may be based upon the original emphasis of each development; accordingly, the marketing functions may conveniently be divided into the following groupings: protection of the farmers' market, both at home and abroad, by policing grades and minimum standards; improvement of marketing practices and transactions in the interest of the producer; protection of the farmer as consumer of essential farm commodities; consumer protection; and price maintenance.

We offer this classification because it indicates the diversified origins of the Department's marketing work. We hasten to emphasize, however, that in actual practice overlappings were extensive; an activity originating as part of one group frequently developed to embrace one or more of the others; some covered more than one group from the beginning. Generally, however, original authorizing legislation was primarily in response to demands for action in one of these five fields, and the support of secondary interests was, on occasion, helpful in presenting a case to Congress. The development of multiple overlappings evidenced the coalescent tendency of functions originating separately in time and purpose, though actually parts of a single whole.

An approach to the broader problems of distribution was a later development than the Department's marketing functions. Although expanding markets, both at home and abroad, created a continuing demand for agricultural commodities and maintained producers' prices at a reasonably profitable level, the farmer was primarily interested in production. When outlets for specific commodities were arbitrarily restricted, the farmer called for government aid. When trade practices disadvantaged the producer, he demanded governmental intervention. Though economic crises occurred periodically throughout the nineteenth century, the credo of the times that prosperity would naturally return obscured the seriousness of economic maladjustments. Eventually these maladjustments would have to be confronted—at a time, too, when the farmer, much more dependent upon his cash crop, would be less able to withstand the shock.

¹Leon Henderson, Secretary of the Temporary National Economic Committee and member of the Securities and Exchange Commission, has suggested an interesting two-fold classification applicable to the activities of the whole government: before 1933 the emphasis was on producer fortification; after 1933, on consumer fortification. These are helpful distinctions but too broad for our immediate purpose; "producer fortification" would include all of what we consider the marketing activities of the Department. Progress toward consumer fortification necessarily suffered from lack of preparation.

Importance of Marketing Recognized

Recognition of the importance of marketing in all its aspects as a single problem resulted in the first important study of the subject by the United States Industrial Commission in 1900. But it was not until 1913, when Secretary Wilson recommended to the Congress an investigation of marketing and the establishment of a division of markets, that the broad problems of distribution were given formal recognition. An excerpt from the report of the Secretary of Agriculture for 1913² is particularly significant:

Just what part of the burden is due to lack of systematic planning, or inefficiency and economic waste, or to unfair manipulation, one can not say. As difficult as are the problems of production, they are relatively simple as compared with those of distribution, and there is danger not so much that nothing will be done, but that pressure will be brought to bear on the department to take action everywhere before it is prepared to act intelligently anywhere. The department has given assistance here and there in the past; it is prepared to give further assistance and information now, and it has shaped its projects and instituted more systematic investigations, which should have results of great practical value to individuals and to communities.

The creation of the Office of Markets and Rural Organization in 1913 provided general-staff facilities in these important fields. The World War, however, resulted in an increased foreign demand for agricultural products, and on April 6, 1917, when the United States entered the conflict, the country had a limited supply of food for export. The 1916 production of leading grains, cereals, and potatoes was strikingly small,

⁸This change in demand is another example of the way in which the World War interrupted well-established efforts toward readjustments.

²Report of the Secretary of Agriculture (1913), p. 19. Eleven years later Sun Yat Sen, in San Min Chu I (The Three Principles of the People) gave a brief appraisal of American agriculture (pp. 477–78): "Yet has the United States really solved her food problem? I do not think that she has. Every year the United States ships vast quantities of food for sale in other countries and her food supply is abundant—why, then, do I say that her food problem is unsolved? Because agriculture in the United States is still controlled by capitalists. Under the system of private capital which still exists, methods of production are over-developed, while no attention at all is paid to proper methods of distribution. So the problem of livelihood cannot be solved. In order to reach a solution, we must not only deal with questions of production but must also lay emphasis upon the questions of distribution. Equitable methods of distribution are impossible under a system of private capital, for under such a system all production heads towards one goal—profit. Since the production of food aims at profit, when food prices are low in the native country, the food will be shipped for sale and greater profits abroad. Just because private individuals want to make more money! Even when there is a native famine, when the people are short of food and many are starving, these private capitalists are not concerned. With such methods of distribution, which aim wholly at profit, the problem of livelihood can never be well solved."

and the supply, particularly of wheat, was inadequate to meet the needs of the Allies. Competitive purchasing by foreign governments, speculation, and manipulations caused food prices to rise rapidly to a point that caused serious hardships to the population. The emphasis shifted to production.

Distribution Problem Noticed

It is not surprising, therefore, that the Joint Commission of Agricultural Inquiry created by Congress to investigate the postwar agricultural crisis stated:⁴

There were practically no fundamental data of governmental or public character with respect to marketing and distribution and it was therefore necessary for the commission to undertake a pioneering effort to secure from original sources the basic facts upon which a consideration of the problems of distribution might be predicated.

In summarizing its findings and in making recommendations the Commission came close to our concept of distribution,⁵ though still from the producer's angle:

The commission is convinced that the problem of distribution is one of the most important economic problems before the American people, and that only through its solution can there be an equitable adjustment among agriculture, industry, transportation, labor, finance,

⁴ Marketing and Distribution, Report of the Joint Commission of Agricultural Inquiry, House Report No. 408, 67th Cong., 1st sess. (1922).

⁶Robert S. Lynd, Knowledge for What? (1939), pp. 4, 12. In the national economy distribution must also include the process of placing in the hands of the consumer the means of purchasing, or of otherwise getting the benefits of production and marketing, and of educating him to choose wisely those things that will give him the greatest values. Distribution should be conceived from the consumer's, as well as the producer's, point of view. Mr. Lynd states (p. 147), that "The position of consumption in economic science is a crucial instance of how important problems are crowded out of view in a science which defines its field as economics does. It is one of the inevitable commonplaces that everyone accepts as 'right in theory' that all our economic processes are not ends in themselves but instrumental to the ends of human living; and, within this broad generalization, production is not an end in itself but instrumental to the use of commodities to serve the ends of living. Adam Smith stated this unequivocally when the science of economics was setting out on its long career: 'Consumption,' he said, 'is the sole end and purpose of all production; and the interest of the producer ought to be attended to only so far as it may be necessary for promoting that of the consumer. The maxim is so perfectly self-evident that it would be absurd to attempt to prove it.' And so it is. Subsequent economists have rarely challenged this statement. They have, in the main, said 'Of course!' and turned to the business in hand. For they and their science are but children of a culture. And in Adam Smith's time, as today, that culture was engaged in the grand adventure of growing rich. Smith goes on to point out in his next sentence the contradiction between theory and practice: 'But in the mercantile system, the interest of the consumer is almost constantly sacrificed to that of the producer; and it seems to consider production, and not consumption, as the ultimate end and object of all industry and commerce.'

and commerce. The public is so accustomed to the conveniences of modern service that it seldom, if ever, recognizes the fact that the most simple purchase contains the romance of industry, commerce, and human progress. Nor is the public prepared to realize that not only must the producer receive proper compensation for the raw materials but that out of the charge for service along the way the men who operate railroad trains, drive trucks, operate machines, nail boxes, wrap packages, and the men who make deliveries must be enabled to purchase the finished commodity for their families.

Therefore, the solution of the problem of distribution must be secured through a betterment of methods and an elimination of wastes and uneconomic practices. A better system of distribution can only be hoped for through a more intelligent study of methods, facilities,

and purposes.

It is the responsibility of the entire people to make such adjustment of custom and habit as will permit the development and establishment of a system of economic distribution which will result in a more equitable relationship between what the producer receives and what the consumer pays.

Permanent solutions of the problems of distribution must come as a result of a higher standard of knowledge and ability on the part of producers, manufacturers, transporters, storers, and distributors, and a more enlightened recognition of their obligation to the public.

The farm problem was explored again by the Agricultural Conference of 1922. Individuals and committees grappled with different aspects of the problem, including land use and rural life, but the major emphasis was upon marketing. Farmer cooperatives and better and more complete economic information for the farmer were supported as the most favorable and immediate solutions. Throughout the following decade these aids continued to be the main hope for agricultural salvation. The Agricultural Marketing Act of 1929 and the Farm Board have already been discussed. There was, as yet, no positive approach to the broader field of distribution, but the current of thought embracing the concept of parity prices inevitably led into the whole national economy.

Interrelationship of All Economic Problems Realized

After 1933 the national government initiated and carried forward a number of programs in an effort to correct the evils of economic maladjustments of long standing. On one great front programs were directed at the farm problems; on another, at unemployment and want;

⁶See above, pp. 64 ff.

and on still another, at credit and finance. Increasingly it became clear that all were attacks upon a single problem. Agriculture depended upon industry and employment; industry and the city depended upon agriculture and the rural area; and all required credit on fair terms. Want existed amidst plenty; the distributive system had fallen short of the needs of a nation; if that system were improved, all parts of our economy would benefit.

Thus, on February 18, 1939, at a conference of agriculture, industry, and labor, the Secretary of Agriculture included in his address the statement that from agriculture's standpoint "it is absolutely vital that the leaders of industry and the leaders of labor get together with the leaders of agriculture and the leaders of government to achieve abundant production, abundant distribution, and abundant consumption of the products of both farm and city." All groups, he said, should clear their policies through a central clearinghouse, the establishment of which he urged in order to test all policies "in the light of the general welfare."

Within the Department we observed during the course of this study an increasing emphasis on "the other half of the farm problem" and a tendency to direct its efforts more sharply to the national problems of distribution. In the reorganization of 1938–39 the Department's activities in this area were not integrated to the same extent as the land-use activities. Facilities were provided, however, that would help to bring some, at least, of these activities closer together and also would help to integrate them with the land-use programs. It is logical that these activities merge: they are parts of a whole.

The farmer has been concerned primarily with his immediate problems: in the past he saw the specific problems of marketing; currently he has been confronted with the realization that his destiny is related inextricably to the whole area of distribution. This broader view has developed from the specific, and we now turn to this evolution.

PROTECTION OF MARKETS

When the Bureau of Animal Industry was created in 1884, important responsibilities were added to the Department. After the Bureau's inception most of its activities were based primarily upon scientific research; nevertheless, its control and regulatory work was most significant. To make this significance clear, it is necessary briefly to indicate

⁷Henry A. Wallace, "How Agriculture, Industry, Labor, and Government Can Work Together for a 100-Billion-Dollar Income," address at the Third Annual National Farm Institute, Des Moines, Iowa, February 18, 1939.

the nature of events leading up to the establishment of the Bureau.⁸ For some years suggestions had been made periodically that the national and state governments seek to discover means of combating animal diseases. On May 1, 1883, Dr. D. E. Salmon was called to Washington to establish a veterinary division in the Department. There was already ample work in this field for an extensive organization. But when diseases began not only to add to the cost and hazards of production but also to restrict and complicate the marketing of meat, control of animal diseases had to be dealt with on a large scale.

Control of Animal Diseases

In 1843 contagious pleuropneumonia was introduced into the United States from England; the disease spread quickly to a large area of the nation. Local efforts were made to control it as it spread from one state to another. On November 27, 1878, an article in the New York Weekly Tribune stressed the importance of concerted action for control and elimination of this disease. English newspapers quoted this article with a demand for an embargo on American cattle. In January, 1879, a cargo of American beef was condemned on its arrival at Liverpool. An inquiry was started by the English government, and on February 8, 1879, the Privy Council issued an order compelling the slaughter of all American cattle on the docks of the English ports at which they were landed. This was a serious blow to the cattle industry of the United States because it resulted in an immediate lowering in the price of American steers in the English market to some ten dollars below the price for comparable beef shipped from Canada. At least one hundred thousand cattle were affected each year, with a loss of a million dollars annually to the American cattle industry. Some states were stimulated to increased action against this disease, but their individual efforts were disappointing.

Foreign Restrictions on American Meats

The extensive exportation of American dressed meats had developed rapidly and soon confronted the fears and objections of British producers who foresaw increasing competition for the English market.⁹

By 1877 the shipments of dressed beef had increased to about 600 tons weekly. The success of the experiments caused a sensation in England among producers and consumers. Although the quality of

⁸For a more complete account see U. G. Houck and Associates, *The Bureau of Animal Industry of the United States Department of Agriculture* (1924).

⁹ *lbid.*, p. 9.

our meat was indorsed by the best English authorities, the English livestock growers and others immediately endeavored to discourage its extensive consumption by attempting to create prejudice against the American product.

In 1879, the year of the embargo on cattle, Great Britain also placed restrictions on the importation of sheep, alleging that foot-and-mouth disease had been carried into the country.¹⁰

As this disease had never existed in the United States except in two or three instances when cattle landed from England were found to be affected with it, and had never been allowed to spread here, it seems evident that the sheep in question must have contracted the disease on vessels that had previously been infected by English cattle.

Other nations placed restrictions upon the importation of American meats, and reports of the arrival of infected cattle continued, particularly from England. The United States government undertook a number of investigations to determine the basis of these reports; upon microscopic investigation of carcasses most of the complaints were shown to be groundless. In 1881 a more extensive investigation was authorized by Congress, which confirmed the earlier findings. The problems that developed in our export trade have been summarized as follows:

At this time our export trade was hampered by various impediments. Without good and sufficient reasons our cattle were excluded from European markets except English markets that were provided with facilities for slaughtering the cattle within a limited time at the port where they were landed, our pork products were excluded from the principal markets of Europe on a frail pretext, and we had no veterinary organization prepared to cope with this serious situation. It was apparent, too, that our Government should have veterinary representatives stationed in European countries, especially in England, our greatest foreign market.

¹⁰ *Ibid.*, p. 10.

[&]quot;Ibid., p. 15. It is interesting to recall the flare-up of debate that followed the President's making public a letter to the Secretary of State on April 13, 1939, authorizing the Navy Department to purchase 48,000 pounds of Argentine canned beef. This proposal was attacked on the grounds that foot-and-mouth disease was known to exist in Argentina. The impossibility of importing the disease in canned corned beef was easily answered. Congressman Horton stated typically: "Right, but it is possible to can meat from foot-and-mouth diseased cattle and that does not sound so attractive. True, such meat may not kill a man, but a calf sucking its diseased mother will be dead within 2 days' time." Congressional Record, May 15, 1939, p. 7774. Argentina maintained, however, that the embargo was thoroughly unfair because foot-and-mouth disease was isolated in small areas of the country and that it was possible to ship cattle from the uninfested areas without any danger of transmitting the disease.

U. S. Regulation of Livestock Importation

Foreign trade in livestock, however, did not flow in one direction only: a substantial quantity of cattle was regularly imported into the United States. This nation, too, was concerned about the introduction of foreign diseases. In 1865, when rinderpest appeared in England for the second time, Congress passed an act prohibiting the importation of cattle and, by an amendment of March 6, 1866, of all hides of neat cattle. It is significant that responsibility for administering this law was assigned to the Secretary of the Treasury, who was to issue regulations as he deemed necessary. But the first regulation was not issued until July 31, 1875, and it applied only to neat cattle shipped from Spain. Subsequently other orders were promulgated regarding specific animal species or areas, but exceptions were frequently allowed. In 1879, after notification of the outbreak of contagious pleuropneumonia in England, an order closed every Atlantic port to English cattle. Later this order was modified to permit imports after a ninety-day quarantine.

In 1881 foot-and-mouth disease entered this country with cattle shipped from England, though the cattle had been quarantined for ninety days. Fortunately, both these outbreaks were brought under control, but they constituted dramatic examples that could be used by those who did not believe that the Treasury Department should have

responsibility in this area. 12

Generally there was a lack of confidence in the ability of the Treasury Department to administer efficiently the quarantine laws. It was felt that the officials of the Treasury Department did not possess a sufficient knowledge of animal diseases and that such matters should be placed under the supervision and direction of competent veterinarians. Some of the orders of the Treasury Department were criticized severely in the public press, as, for instance, the order of July 19, 1879. In referring to this order in the August, 1879, issue of the National Live Stock Journal, Dr. James Law said: "On the basis of these facts the Treasury Department should at once exclude all importations, either direct or by way of Canada, not only from England but from France, Belgium, Holland, and Germany." The editor of the National Live Stock Journal in the August, 1879, issue said: "The Treasury Department has promulgated orders that have been so silly as to excite the ridicule of the whole country. It has closed our Atlantic ports against importations of cattle from England but has left an open door for such importations by way of Canada; and while this ridiculous show of surveillance has been kept up over importations from one country only, no attempt has been made at supervision

¹² Houck and Associates, op. cit., p. 31.

over those from other European countries that are known to be the very hot beds of plague and contagion."

As a result of these criticisms the Treasury Department appointed a cattle commission to advise on the problem of importing foreign cattle. The commission was accepted with favor, but since its members acted in an advisory capacity while devoting full time to their regular vocations, it was not completely satisfactory. Regulation of foreign trade in livestock and animal products required, it was felt, the establishment of a large veterinary organization.

Domestic Quarantines and the Bureau of Animal Industry

It was not only foreign trade in meats and livestock that required the attention of the national government. We had in this country, particularly in the South, extensive infestations of cattle fever, which, it was discovered, spread to areas where southern cattle were shipped. Several states promulgated regulations to control cattle fever, but the area of infection continued to spread. An investigation was begun under the Department of Agriculture in 1868. In 1883 Dr. Salmon located the line at which a quarantine should be established. The success of such a quarantine, however, required a larger organization and more money than were available.

By an act of May 29, 1884,¹⁴ Congress directed the Secretary of Agriculture to organize a Bureau of Animal Industry and to appoint a chief thereof "who shall be a competent veterinary surgeon" charged with the duty of investigating and reporting on "the condition of domestic animals and/or livestock . . . their protection and use," of inquiring into and reporting on "the causes of contagious, infectious, and communicable diseases among them, and the means for the pre-

¹³Opposition to the transshipment of Texas cattle became so powerful among the bordering states that Texas cattlemen were compelled to take to the Mississippi River and move their cattle by boat. Cairo, Illinois, became the chief point for the transshipment of these cattle.

of these cattle.

14 23 Stat. L. 31. Dr. Houck has summarized the interesting arguments offered by those who opposed the passage of this act (Houck and Associates, op. cit., pp. 33-34): "There were lawmakers jealous for the rights and powers of the States, who feared that a strong Federal bureau would infringe upon the authority of the States. They contended that such matters should be left to State action, notwithstanding the fact that with the exceptions of Massachusetts and Connecticut no State had been able to cope effectively with contagious pleuropneumonia. The familiar question of constitutionality was raised. There were also those who saw in the proposed organization nothing but an army of jobholders or a political machine, and some objected to the expense. Even the presence of pleuropneumonia in the United States was doubted and questioned. The veterinary profession, then struggling for recognition in America, came in for ridicule, and objection was made to having a 'horse doctor' at the head of the proposed bureau."

vention and cure of the same," and of collecting "such information on these subjects as shall be valuable to the agricultural and commercial interests of the country." In addition, the act conferred upon the Department its first regulatory powers. The Secretary was "authorized to take such steps and adopt such measures, not inconsistent with the provisions of this act, as he may deem necessary" to prevent the exportation of livestock and poultry affected with any contagious disease, particularly pleuropneumonia; to prepare such rules and regulations as might be necessary to suppress and stamp out such diseases; to certify them to the respective state or territory and to allocate funds for investigations, disinfection, and quarantine measures necessary to prevent the spread of any disease from one state to another. The act also prohibited the transportation in interstate commerce of diseased livestock and poultry.

Extension of the Bureau's Authority

The Bureau of Animal Industry, at its inception, was primarily an agency concerned with aspects of marketing. A large portion of its efforts was to be directed to the control of domestic cattle diseases, but even the statute, with its emphasis on pleuropneumonia, indicated that these efforts were also to be directed to the protection of foreign markets. Experience soon demonstrated, however, that the operations under the act of 1884 were not adequate to accomplish this basic objective. While justification of all foreign complaints about diseases in American meats or livestock was doubtful, the existence of such diseases in the country could not be denied. Foreign markets continued to be restricted despite the Bureau's efforts. This problem could be solved, it was felt, if the government would certify that export meats and cattle were free from contamination. Cattle and meat-packing interests therefore appealed to the government for official certification of the quality of their products to be sold abroad. Consequently, by act of August 30, 1890, Congress provided for the inspection of meats. 15 This act, however, was limited in its application: it provided solely for the inspection of cured meats and some live animals. Foreign governments refused to recognize the inspection certificates issued pursuant to this act; after Congress' attention was called to this condition, it passed a much more extensive meat inspection act on March 3, 1891.

The Secretary was now authorized to inspect all cattle intended for

^{15 26} Stat. L. 417.

export as live animals or as meat products. In addition, the act provided for inspection, prior to slaughter, of cattle, sheep, and hogs destined for interstate commerce and, in the discretion of the Secretary, post-mortem examinations of carcasses destined for human consumption. It became unlawful to transport in interstate commerce carcasses or food products thereof that had been found unfit for human consumption. But animals slaughtered by the farmer on his farm were exempt from the provisions of this act. Both these meat inspection acts were primarily economic in character and grew out of problems of export trade; the act of 1801 was highly successful in inducing foreign governments to remove their prohibitions against importation of American cattle and meat products. Inspection of meats and animals destined for interstate commerce and consumer consumption was permissive rather than mandatory and hence could be, and was, limited in its application to the important abattoirs from which most cattle were exported. This act, even with a strengthening amendment of March 2, 1895, did not provide for inspection and supervision of the preparation and labeling of meat products. Nevertheless, meat inspection grew by leaps and bounds and in 1906 reached almost forty-three million animals.

CONSUMER PROTECTION

The consumers' interest in the wholesomeness of meats had been advanced over a period of many years and had resulted in the establishment of local meat inspection in some larger cities. Commissioners of Agriculture Capron and LeDuc had reported to Congress the need of protecting the public health through regulation of the marketing of meats. All these efforts were influential in adding the consumer-protection provision to the act of 1891. But it was not until fifteen years later that the real demand for complete regulation of the distribution of meat arose.

Meat Inspection Extended

Early in 1906 Upton Sinclair's famous novel, *The Jungle*, appeared. While those associated with the meat-packing industry considered the story a gross exaggeration of existing conditions, nevertheless the extensive circulation of the novel induced concerted agitation for extended regulation. The Meat Inspection Act of June 30, 1906, resulted.¹⁶

¹⁶ Actually this legislation was in the form of an amendment—the Beveridge Amendment—to the Agricultural Appropriation Act of that year. With the addition of one word—"hereafter"—this legislation was reenacted on March 4, 1907, and thus became permanent legislation.

The important difference between this Act and the earlier ones was the mandatory provision for 17

post-mortem examination and inspection of the carcasses and parts thereof of all cattle, sheep, swine, and goats to be prepared for human consumption at any slaughtering, meat-canning, salting, packing, rendering, or similar establishment in any State, Territory, or the District of Columbia for transportation or sale as articles of interstate or foreign commerce.

Thus, meat inspection service was necessarily extended to small establishments, which had not previously been reached.¹⁸

There appears to have been no question about the agency to administer the Act. The Bureau of Animal Industry, having had extensive experience in the field, was given the responsibility. Thus, an important consumer-protection statute of the national government came to be administered in the department representing agricultural interests. In this connection it is particularly significant to note that the new Act, as well as the original farmer-protection meat inspection acts, exempted from its provisions "animals slaughtered by any farmer on the farm and sold and transported as interstate or foreign commerce." 19

Regulation of Other Foods Extended

In the history of the Bureau of Animal Industry we have seen the emergence of two important marketing activities: protection of markets and protection of consumers. Both were interrelated, but the consumer-protection aspect of meat inspection began to approach the broader field of distribution. What the consumer gets for his dollar has an important bearing on his purchasing power and, hence, on the whole distributive system. Campaigns for consumer protection by government regulation had long been undertaken—as in connection with animal products—and some of the larger cities had attempted consumer safeguards.

The national government had felt the pressure of consumer efforts

¹⁷Laws Applicable to the United States Department of Agriculture (1935), p. 487. ¹⁸Dr. Houck points out that the actual increase of inspection under the new Act was not very great (Houck and Associates, op. cit., p. 260): "In 1906 the total number of cattle, sheep, calves, and swine slaughtered under inspection was 42,901,284, and in 1908 this total was 53,973,337."

¹⁰ Laws Applicable to the United States Department of Agriculture (1935), p. 492. In the absence of a clear definition of "farmer" in the original act a large number of small wholesale packers and processors, operating as farmers, escaped the provisions of the law. An amendment of June 29, 1938, limited the term "farmer" to its customary agricultural

meaning. 52 Stat. L. 1235.

and had enacted food legislation other than that pertaining to meat and animal products. Such legislation was based upon the taxing and commerce powers of the national government. The Tea Inspection Act of March 2, 1807, as well as the meat inspection acts, was based upon the commerce power. Tea inspection, however, applied exclusively to an import commodity and was assigned to the Bureau of Customs of the Treasury Department, though official standards were to be established by the Secretary of Agriculture. Under the taxing power legislation was passed such as the act of August 2, 1896, which taxed oleomargarine and renovated or adulterated butter. Enforcement of legislation that sought to tax certain products out of existence—including the act of June 6, 1896, which taxed filled cheese, and the act of June 13, 1895, which taxed mixed flour—was assigned to the Bureau of Internal Revenue. It is important to note here that during this period national food legislation, as well as state food legislation, was directed at specific products.

In 1896 the Association of Official Agricultural Chemists organized a committee on food legislation under the chairmanship of Harvey W. Wiley, 20 who, one year later, became chairman also of the committee on food standards. The first report by the Referee on Food Adulteration appeared in 1897. Under the auspices of the Association of Official Agricultural Chemists work was undertaken in food standards and adulterations; from 1900 to 1906 the Bureau of Chemistry²¹ and the Association were both active along these lines. "The work was primarily directed towards getting the information necessary for Congress to justify the passage of the National Food and Drugs Act."²² During this same period food inspection laboratories were established to cooperate with the customs service in the examination of food products detained at port of entry until their quality could be determined. Mr. Wiley, then Chief of the Division of Chemistry, was one of the leaders in the battle for improved food regulation.²³ In this connection Mr. Tolman's speculation is of interest:24

While I was Chief Chemist of this Bureau I was greatly impressed with this power of control by the taxing method, and I often thought that if Dr. Wiley had just happened to be attached to the Bureau of

²⁰For an interesting account of the background of the Food and Drugs Act see Tolman, op. cit., pp. 27-36.
²¹The Division of Chemistry was reorganized into the Bureau of Chemistry in 1902.

²² Tolman, op. cit., p. 31. ²³See above, p. 23.

²⁴ Tolman, op. cit., p. 28.

Internal Revenue or the Treasury Department we might have seen an entirely different development of Food Inspection in the United States.

In any event it is clear that the work of the Association of Official Agricultural Chemists and of the Bureau of Chemistry in food standards and inspection, and in supplying information to Congress in support of legislation, was influential in bringing to the Bureau of Chemistry responsibility for enforcing the Food and Drugs Act. Thus, another of the important consumer-protection activities of the national government came to be administered by the Department of Agriculture.

The Food and Drugs Act

In the breadth of its applicability the Food and Drugs Act of June 30, 1906, was the most important national consumer-protective effort up to that time. The Act was of added importance in offering to ethical business concerns protection from the disconcerting competition of adulterated and misbranded articles. The law was, however, a compromise reflecting the pressures of antagonistic interests: instead of enunciating positive requirements of truthfulness and safety in the production and merchandising of food and drug products, it merely indicated practices no longer to be permitted. The rise of the cosmetic industry and a developing trade in nostrums of peculiar curative properties and hopefully appealing body beautifiers found the Act increasingly inadequate;²⁵ court decisions further restricted its scope.

False Labeling and Adulteration of Products Prohibited

Intermittent attempts were made to strengthen the original Food and Drugs Act;²⁶ it was amended seven times, including the McNary-

²⁵ "Within two decades after the old Food and Drugs Act went into effect, the conditions of American life had changed profoundly. New machinery, new roads, new transportation, new knowledge in chemistry and physics had worked together to transfer much food preparation from the home kitchen to the factory. At the same time the manufacture of much medicine was transferred from the pharmacy to the factory. New ways of living in small homes with automatic heating and electric power to do the household chores set a large group of American women free from the sun-to-sun household work their grand-mothers had taken as a matter of course. One result of this new leisure was that women had time to give more thought to their personal appearance. Very quickly, an almost wholly new cosmetic industry came into being. It was not subject to any control under the old act." Secretary Henry A. Wallace, "The Food, Drug and Cosmetic Act," radio address, June 29, 1938.

²⁸ "Experience in connection with the administration of the Food and Drugs Act has strikingly emphasized the importance of enforceable standards for foods and drugs. Without them it is impossible to carry out completely the purposes of the act. In many instances protection of the consumer—the principal object of the law—cannot fully be accomplished, nor can unfair practices on the part of unscrupulous manufacturers adequately

Mapes Amendment of July 6, 1930, which authorized the establishment of reasonable standards for canned foods. Finally, on June 25, 1938, after a five-year legislative struggle, Congress passed the Federal Food. Drug and Cosmetic Act, conferring considerable regulatory powers on the Department. During this long period, however, statutes of more direct concern to the farmers conferred much broader regulatory powers. While the Food and Drugs Act prohibited the use on any package or label of "any statement, design, or device regarding such article, or the ingredients or substances contained therein which shall be false or misleading in any particular," the Meat Inspection Act ordered 27 all meat destined for interstate commerce that had been inspected and passed to be so labeled and prohibited the use of any label on packaged meat until after approval by the Secretary of Agriculture. The Food and Drugs Act permitted action against unwholesome or adulterated products only when, subsequent to their entrance in interstate trade, inspection revealed such conditions.

The Insecticide Act of April 26, 1910,²⁸ intended to prevent the manufacture, sale, or transportation of adulterated or misbranded insecticides and fungicides, followed closely the provisions of the Food and Drugs Act, as did the Federal Seed Act of August 24, 1912.²⁹ The Serum Control Act of March 4, 1913,³⁰ however, gave to the Secretary the power to license, to supervise the production, and to regulate the importation or interstate shipment of, any virus, serum, toxin, or analagous product intended for use in treating domestic animals.³¹ The Food, Drug and Cosmetic Act of 1938 authorized factory and other inspection only after

be prevented. In some cases maintenance of prosecution is difficult and expensive, even when the articles involved clearly are adulterated or misbranded. To meet this situation, I have recommended in the estimates for the fiscal year 1918 that the Secretary of Agriculture be authorized to establish standards of strength, quality, or purity for articles of food and for those articles of drugs which are sold under or by a name not recognized in the United States Pharmacopoeia or National Formulary. The suggestion provides that if any article fails to conform to the established standards it shall be deemed to be misbranded, unless it is labeled so as plainly and conspicuously to show how it differs from the standard.

"The adoption of legally enforceable standards will benefit both the consumer and the honest manufacturer. They will give consumers exact information as to the quality of food and drug products and will enable manufacturers to produce articles which will meet the requirements of the act, putting competition on a fairer basis. They will be of great assistance to Federal and State officials in the enforcement of food and drug laws and will tend to promote uniformity among the various States." Report of the Secretary of Agriculture, 1916, pp. 49–50.

²⁷Elmer A. Lewis, Laws Relating to Agriculture (1937), p. 221.

^{28 36} Stat. L. 331. 29 37 Stat. L. 506. 30 37 Stat. L. 833.

³¹ This Act is administered by the Bureau of Animal Industry.

permission therefor was obtained from the owner, operator, or custodian. This practice had previously been applied to the salmon industry of the Northwest. By special voluntary agreement inspection and certification were available on a fee basis to the shrimp industry of the Gulf of Mexico. Government was thus employed to facilitate the legitimate ends of private enterprise.

Influence of Interest Groups

The inadequacies of the original Food and Drugs Act and the long struggle to strengthen its provisions resulted from the pressures of many interest groups, one of the most powerful of which was the farmers themselves. They did not support national regulation of food standards unless it was clearly demonstrated that such standards were to their interest in protecting or developing a market or in raising prices. In fact, the farmers strenuously opposed operations under the law that inconvenienced them in the disposal of produce. The activities of the Food and Drug Administration, 32 for example, in prohibiting the sale in interstate commerce of apples retaining a dangerous lead arsenate spray residue aroused the antagonism of the apple growers; 33 this antagonism was reflected in restricted appropriations for the enforcement of the Act. The objections of the Administration to the labeling of a corn product as syrup because it was misleading to the consumers brought forth opposition from corn growers (nurtured by the canners) that resulted in a complete change of front by the Food and Drug Administration. On the other hand, when the farmer himself was the primary consumer of a commodity, such as antitoxin, he demanded

³²The Food and Drug Administration was organized on July 1, 1927, pursuant to Congressional action. The Administration enforced the Food, Drug and Cosmetic Act, the Caustic Poison Act, the Naval Stores Act, the Tea Act, the Import Milk Act, and the Insecticide Act. The Food and Drug Administration was transferred to the Federal Se-

curity Agency by Reorganization Order No. 4, April, 1940.

3 Note that, while the Food and Drug Administration objected to excessive spray residue, other bureaus investigated methods that could be adopted by the farmer to remove such residue. See, for example, Department of Agriculture, Removal of Lead Spray Residues from Apples Grown in the Shenandoah-Cumberland Valley (Technical Bull. No. 622, July, 1938). The Standard Oil Bulletin for March, 1939, states (p. 10): "Once the fruit grown in the West was entirely free of worms and pest blemishes, but as population grew civilization brought its small plagues of insects and pests. Many orchards became infested, making pest control necessary. Varying methods were employed to prevent serious damage

"Most common was the use of poison sprays, and this form of control continued until thirteen years ago, when a number of Chinese became poisoned by the spray which had been left on American apples exported to the Orient. Local health boards complained to the Federal government and in 1927 it was decided that all fruit which had been sprayed with lead arsenate or similar-acting substances should be washed before being sent to market."

legislation involving the most extensive regulation of private enterprise.³⁴

The policing of marketing by the national government requested by farmers extended not only to producers of farm needs and marketers of farm products but also to farmers themselves. As we have already seen, cattlemen were compelled to recognize the need for quarantines and regulations incident to the control of contagious diseases and for inspection of meat and livestock destined for interstate and foreign trade. Even the farmer with healthy stock had to submit to regulation in order to be assured of control of contaminated animals that constantly threatened his own stock and interfered with his market. This policing was, of course, in the farmer's interest, but it also contributed to the public interest. The quality, or at least the wholesomeness, of livestock improved, and experience with meat inspection for the protection of the cattle industry simplified the extension of meat inspection for the protection for the protection of the consumer.

GRADES AND STANDARDS

Food, Drugs, and Commodities

Meat inspection sought to eliminate unwholesome meats from trade channels. This elimination was all that foreign countries demanded; for domestic consumers it was as much as could then be hoped for. As other commodities were subjected to governmental inspection, however, particular grades based upon established standards of quality were to be certified. Shortly before the World War the Department was given responsibility for grade and standards work connected with many specific agricultural products; only in later years were food standards in the interest of the consumer made effective. Development of standards and grading is attributable (for specific commodities) to two important sources: demands of foreign and domestic buyers for uniform and honest measures of quality and demands of domestic producers for commodity prices in accordance with quality. The first source

³⁴ "There has at times appeared opposition to the publication of some of the facts which scientific investigations have revealed. A conspicuous example of such opposition is seen in the obstructions which have been placed in the way of publicity and legislation with regard to drugs and foods. There is an emphatic demand which will some day express itself in unmistakable form for complete investigation of conditions in the field of food and drug supplies. When Government becomes as active in securing and supplying information to consumers as it is in supplying information to producers there will be established a balance of the type which science has always aimed to establish." Draft of the Final Report of the Science Committee of the National Resources Committee, pp. 20–21.

evidences again the coercive power of foreign markets in raising quality and in improving practices that eventually benefited all parties.

Necessity for Definitions of Quality

As the frontier pressed westward, increased agricultural lands were opened to settlement. Concurrently a large output of agricultural products developed far from centers of population. The land of the Plains beyond the Mississippi was suitable to the raising of grains, and in the nineteenth century the distance of large markets encouraged production of crops transportable without serious risk of deterioration. Gradually the production of grains in the Prairies exceeded the demands of domestic markets and developed a surplus for sale abroad. The marketing of these crops at great distances from the sources of production involved handling by many agents and resulted in the development of sales for future deliveries. Since grain varied in quality and type, it became necessary to establish a common language indicating these differences and representing values. Buyers and sellers had to agree on definitions of quality that could be incorporated into contracts of sale. This was a far cry from the days when grain could be sold by sample at near-by markets.

Dealers attempted to develop understandable definitions of quality, but these attempts proved inadequate at the large markets where the products assembled under many separate contracts came together. Chambers of commerce and boards of trade then adopted systems of grading and employed inspectors to examine grain, either at its source or upon its arrival at a central market. The first grain to be graded in the United States was inspected by employees of the Chicago Board of Trade in 1857. With an increasing importance of trade in grain, states established grading and inspection work. Illinois was the first to adopt legislation for such a purpose in 1871; during the next forty-five years eight other midwestern states established grain inspection departments. Despite these efforts grain marketing down to the World War involved ever mounting difficulties. Standards and inspection systems varied from state to state and from market to market, and certifications of quality by one were not recognized by another. Buyers, as well as dealers, had little confidence in the certificates accompanying deliveries of grain.

Foreign Pressure for Reliable Standards

The chaotic conditions in grain marketing were as intense domestically as abroad. Hence it is significant that protests from foreign markets were primarily responsible for the stimulation of efforts to bring uniformity and integrity into the grading of American grains. Foreign complaints became formidable in 1898 when European trade organizations, dealers, importers, and millers vehemently protested the unreliability of grain merchandising practices in the United States. The situation became even worse: by 1906 certificates from certain American markets were not only completely refused by European countries, but complaints were lodged with our State Department.

In 1001 the Department of Agriculture, recognizing the seriousness of grain-marketing conditions, organized a research project on the structure of commercial grain standards and the methods of their application. The following year the Congress appropriated funds that were allocated to the Bureau of Plant Industry for the investigation of the varieties of wheat in order to standardize their identification as an aid to commercial grading. Further investigations were authorized in 1906; as a result, permissive federal standards for shelled corn were established in 1913.35 These standards were adopted by many state and commercial grain inspection divisions, but they continued to be applied without uniformity. From 1903 to 1916 demands for uniform grades and inspection were reflected in twenty-six bills authorizing either federal supervision of grain inspection or outright inspection by the national government. Finally, on August 11, 1916, the United States Grain Standards Act 36 was enacted. It provided for the establishment and promulgation of "standards of quality and condition for corn (maize), wheat, rye, oats, barley, flaxseed, and such other grains as in his [the Secretary of Agriculture's] judgment the usages of the trade may warrant and permit"; it prohibited interstate or foreign commerce in grains for which standards were established unless inspected and graded by a licensee under the Act.

The national government itself had not, at least up to 1940, employed grain inspectors. But since most graded grain moved in interstate or foreign commerce, it became necessary, for practical purposes, that all grain inspectors be licensed. Hence the Department effectively supervised the grain inspection of the nation. And since state or private agencies employed most inspectors, the administration of grain inspection, and subsequently the inspection of other commodities, involved significant national-state-local and private relations. Standards of competence

⁸⁵ Considerable research preceded the passage of the Grain Standards Act, whose expeditious application was facilitated by the findings.

³⁶ 39 Stat. L. 482.

for persons seeking licenses from the national government compelled a general rise in the quality of personnel engaged in the work. Furthermore, it was significant that any person financially interested in a lot of grain might appeal, through the local grain supervisor, to the Secretary of Agriculture for a review of the grade applied by an in-

spector—even when the inspector was a state employee.³⁷

A later example of foreign pressure leading to commodity standards and inspection was the Export Apple and Pear Act of 1933. The passage of this Act was an effort to restore the foreign trade in apples and pears, which had seriously declined because of inferior quality fruit. The Act prohibited foreign commerce in apples or pears "in packages which are not accompanied by a certificate issued under authority of the Secretary of Agriculture showing that such apples or pears are of a Federal or State grade which meets the minimum of quality established by the Secretary for shipment in export." The Secretary was also authorized to prescribe minimum requirements, other than of grade, that had to be met before certificates were issued; furthermore, if a foreign government had standards or requirements applying to imported fruits, he might "inspect and certify for determination as to compliance with the standards or requirements of such foreign government and . . . provide for special certificates in such cases."

We have noted that while meat inspection—and to some degree, grain inspection—was introduced largely because of foreign pressures, its application was extended to interstate as well as to foreign commerce. The Export Apple and Pear Act, like the act of May 23, 1908,³⁹ which extended the export provisions of the meat inspection acts to dairy products, applied exclusively to produce destined for export. Eventually standards for some dairy products were applied to that portion of them that moved in interstate commerce, and voluntary inspection and grading of pears and apples were authorized by the Perishable Agricultural Commodities Act. But no effective supervision of the marketing of these fruits in the interest of the general public had been established by 1938.⁴⁰ Nevertheless, the promulgation of standards

³⁷ For further discussion of grain standards see *The Service of Federal Grain Standards*, Department of Agriculture, Misc. Pub. No. 328; and *Grain Grading Primer*, Misc. Pub. No. 328; and *Grain Grading Primer*, Misc. Pub. No. 328, 25.

^{38 48} Stat. L. 123. 39 35 Stat. L. 234.

⁴⁰ At a conference of apple growers in June, 1938, P. R. Taylor, Chief of the General Crop Section, Marketing Division, A.A.A., suggested that the Export Act might be amended to apply to interstate as well as to foreign commerce and thereby to provide national supervision over interstate marketing of pears and apples with a view to eliminate from channels

appeared to result in a general improvement in the quality of some of the affected commodities. The establishment of prices in accordance with quality, even though applicable exclusively to exports, was a positive incentive to producer efforts toward higher standards. World prices markedly affect, if they do not govern, domestic prices. Thus, the general public benefited from this type of marketing regulation.

Pressure by Producers on the Department

Further pressure for grades and standards activities in the Department emanated from producers who were dissatisfied with prices received at distant markets for their commodities. Those prices varied measurably according to quality;41 without definite standards and certification in accordance with them, however, the farmer was practically unable to protect his interest. Before the World War this price variation was particularly severe for cotton and other commodities ordinarily stored in warehouses, as well as for grain. The marketing of cotton, particularly by the sale of futures, had been subjected to many irregularities disadvantaging the producer. Among other complaints the farmer insisted that he was not receiving prices reflecting the quality of his cotton. The Cotton Futures Act of 1914 (as revised and reenacted on August 11, 1916)42 imposed a tax upon all sales of cotton for future delivery unless the contract of sale met certain conditions, one of which was a statement of the grade of cotton involved in the transaction. The specified grade must be one for which standards had been established by the Secretary of Agriculture. We should emphasize the use of the taxing power here. Since a large proportion of the marketing operations sought to be regulated were intrastate, the commerce power would not support adequate national efforts.

Further Standards Legislation

The Warehouse Act of 1916,⁴⁸ in addition to empowering the Secretary to issue licenses to warehouses, authorized the establishment of standards for agricultural products, required inspection and grading of fungible products stored for interstate or foreign commerce, or in a

of trade the very low grades that gave practically no net return to the producer and little benefit to the consumer. It should also be noted that apples were expressly exempt from the operations of the Marketing Agreement Act.

⁴¹Commodities, such as tobacco, which are sold at auction are subject to wide price fluctuations.

^{42 39} Stat. L. 476.

⁴³ 39 Stat. L. 486.

warehouse under the exclusive jurisdiction of the United States, and provided grade and other inspection services on a fee basis. Inspectors were to be licensed by the Secretary.

Additional standards and grade inspection were authorized by legislation not yet referred to, including the Cotton Standards Act of 1923, the Special Appropriation Act of May 17, 1928, relating to the promotion of federal wool grades, the Tobacco Statistics Act of 1929, the Tobacco Inspection Act of 1935, the Commodity Exchange Act of 1934, and the Peanut Stocks and Standards Act of 1936. The general objective of these measures was the protection of the producer in the markets; authority was based upon the commerce power; application was compulsory or voluntary; and inspection, on a fee basis, was performed either by licensees or employees of the Department or in cooperation with state or local agencies.

New developments about tobacco should be noted. In 1929, as an aid to tobacco growers, Congress⁴⁴ authorized the collection and publication of tobacco statistics showing quantities on hand according to grades. The Secretary was authorized to promulgate standards and to distribute and demonstrate samples of such standards. In cooperation with state agencies a tobacco inspection service was established on a fee basis. Subsequently the Tobacco Inspection Act of 1935 45 was enacted; it was designed to eliminate speculation, manipulation, and control of the sale of tobacco at auction markets. It authorized the Secretary "to designate those auction markets where tobacco bought and sold thereon at auction, or the products customarily manufactured therefrom, moves in commerce," but no market could be so designated unless, by referendum, two-thirds of the producers favored it. At such markets inspection and grading of tobacco were to be provided without charge. Thus, for the first time grade inspection on a permanent basis was offered without expense to the producer; 46 then, too, his participation in the selection of these markets indicated an extension of democratization in the administration of farm programs.

^{44 45} Stat. L. 1079. 45 49 Stat. L. 731.

⁴⁶ For an interesting discussion of tobacco marketing and inspection see an address by the Hon. Frank Hancock of North Carolina, "The Truth About the Tobacco-Grading or Inspection Bill," *Congressional Record*, May 11, 1938, p. 8847. In justifying free inspection he makes this statement: "When one stops to consider the exorbitant and unconscionable tax which the Federal Government exacts from the tobacco growers, we realize that no group of farmers has a better claim upon Congress for assistance in solving its marketing problems than the tobacco growers. They are the producers of the only agricultural commodity which provides a basis for revenue to the Government."

Grades and Standards Beneficial to Consumer

We have already noted that grades and standards developed to protect the producer were also beneficial to the consumer, for whose protection additional standards were developed. By 1906 the Department in collaboration with the Association of Official Agricultural Chemists 47 had established standards for some two hundred items. It was originally proposed that the Food and Drugs Act authorize the further establishment of such standards. Such a provision was, in fact, included in the bill as reported out of the House committee, but it was struck out in conference. Since violent opposition to the provision had developed from special interest groups, 48 Mr. Wiley yielded, fearing, on the one hand, that the bill would not pass with a standards clause and, on the other hand, believing that standards could be fixed under the authority of the annual appropriation acts. "However, no sooner was the Food and Drugs Act passed than the clause in the appropriation bill then pending—which was, of course, legislation—was eliminated on a point of order in the House."49 Although the standards previously drawn up remained, their effectiveness was rendered innocuous by subsequent court decisions. Efforts to correct this serious shortcoming in the Act were of no avail until twenty-four years later, when the McNary-Mapes Amendment gave the Secretary authority to establish and promulgate from time to time reasonable standards for each class of canned goods in order to promote honesty and fair dealing in the interest of the consumer.

The Food, Drug and Cosmetic Act of 1938 extended the authority to promulgate standards of quality and fill of container and added the power to apply a reasonable definition and standard of identity to all foods except dried or fresh fruits, vegetables, and butter. ⁵⁰ Standards, which under the old law were merely advisory, were now to have legal force. In effect, such standards established minimum requirements of quality; they did not provide for identification of quality by grade. The battle for grade-labeling continued. While grade-labeling was used extensively by wholesalers and by canners who sold their merchandise

⁴⁷A committee created for this purpose was supplemented in 1905 by the appointment of a representative of the Association of Dairy, Food and Drug Officials.

⁴⁸ An interesting account of this and other facts connected with the history of food and drug administration is recorded in Ruth deForest Lamb, *American Chamber of Horrors* (1936). See also Will Maslow, "Poor Food and Drug Laws," *National Lawyers Guild Quarterly*, April, 1939.

⁴⁰Lamb, American Chamber of Horrors (New York: Farrar & Rinehart, 1936), p. 147.

⁵⁰A standard for butter had been established by legislation in 1923: 42 Stat. L. 1500.

in Canada, where such labeling was required,⁵¹ the extension of the service to domestic consumers was of little consequence except for meats.

Meat grading was first established during the World War for the benefit of the Army, Navy, and Allies. It should be noted that the Department had standards available for use at that time, pursuant to earlier legislation authorizing the acquisition and diffusion of information on the grading of farm products and the reporting of markets for meats and livestock according to quality. In 1923 a special meat-grading service was established in the Department for the United States Steamship Lines, which had found it impossible to obtain the quality of meats demanded by their patrons by ordinary purchasing methods. The success of this service was evidenced in its adoption by other steamship lines, hotels, restaurants, railroads, local governments, and institutions. Grading and stamping of meats for the consumer was started experimentally in 1927 at the request of the Better Beef Association; one year later, after demonstrable success, this service was made permanently available for a nominal charge at designated markets. While it was particularly valuable to the consumer, it was admittedly instigated and was continued for the benefit of the producer. 52

The purpose or objective of the Federal meat grading service is more far reaching than the immediate duty of rendering the best grading service possible to the trade and consumers. Its purpose is

standards and grade labeling on dog food was very easily impressed on all concerned. The result was that effective provision for this was written into that Code. One of the paragraphs reads: 'The Code Authority shall establish reasonable definitions and reasonable standards of identity and biological value for canned dog food, necessary to prevent deception, fraud and unfair competition in the sale of canned dog food. Within 90 days after the date when this Code becomes effective the Code Authority shall present to the Administrator recommended standards and a plan for their enforcement.'

"Very different was the outcome of the hearings on the code for the industry which cans foods for humans. Although representatives of twenty-one consumer groups testified to the need and desire of such labeling, a very solid front of opposition was put up by the industry and the accomplishments in this direction are as yet very meager. Fido is to be protected by grade labels on his canned food, but not Fido's owner! Incidentally, twenty-one consumer representatives were quite an array when we consider how very poorly organized and inarticulate the consumer is." Ruth O'Brien, "Standards for Consumers' Goods," paper read at the Boston Conference on Distribution, September 25, 1934, pp. 7–8

(mimeo.).

Department of Agriculture, statement by C. V. Whalin before the General Welfare Committee of the New York City Council Regarding the Federal Meat Grading Service, June 16, 1938, p. 2 (mimeo.). Departmental publications on meat grading include: Grading Dressed Turkeys (Farmers' Bull. 1815); Beef Grading and Stamping Service (Leaflet 67); U. S. Graded and Stamped Meat (Leaflet 122); Marked Classes and Grades of Calves and Vealers (Circ. 28); Marked Classes and Grades of Dressed Veal and Calf Carcasses (Circ. 103); Marked Classes and Grades of Dressed Beef (Department Bull. 1246); Grading Up Beef Cattle at Sni-A-Bar Farms (Misc. Circ. 74); and others.

to facilitate the marketing of meats and therefore livestock according to their commercial values. The market value of livestock by grades is determined by the market value of the meat by grades. The grade of the animal is the grade of its meat and the price of that meat by grade is determined by what the consumer will pay for it. The retailer will pay in line with what he can get from the consumer. The wholesaler and jobber will pay the packer in line with what he can get from the retailer, and the packer pays the farmer in proportion to what he estimates he can get for the meat and byproducts. There are different classes of cattle, for instance, with different qualities within each class, and there is a wide range of quality in their meats from the best to the poorest. This wide range of quality has a corresponding wide range in value or price. The entire range in quality is therefore divided into a sufficient number of segments, called grades, that the quality of meat within each is essentially similar and therefore, under normal conditions sells within a narrow price range. The grades therefore facilitate selection, pricing, and trading.

The producer should be paid in proportion to the quality or value of his animal. Consumer demand for class and quality, adjusted of course to supply, determines the value of the meat and therefore the value of the animal according to quality.

This argument has frequently been offered by those who sought grade-labeling of other commodities for consumers' information. It reveals the fundamental interrelationship of different segments of our economy: producer, marketer, and consumer. At the same time its use by consumer representatives indicates the apparent necessity of winning farmer support for such an activity.

Containers

Benefits to the whole economy are particularly apparent in the development of standard containers. Where such standards are in operation the consumer is protected from fraudulent short measures and benefits from the reduced cost of manufacture. The grower or shipper benefits also from lower costs and from protection against those who would compete on the basis of short packages. Production is simplified for the manufacturers who can further reduce costs by stocking relatively few sizes. Transportation is simplified through greater facility in packing and through less risk of damage in transit. Confusion over nonstandard containers is generally eliminated. Despite these advantages the number of standardized containers was still limited in 1939.

The promulgation of standards for containers by the national government has been based upon the constitutional powers to regulate

commerce and to fix weights and measures. The first power extends, of course, only to interstate and foreign commerce; the second includes intrastate commerce as well. Based upon the commerce clause were the Standard Barrel Act of 1912 and the Standard Containers Act of 1916; based upon the weights and measures power were the Standard Barrel Act of 1915 and the Standard Containers Act of 1928. The administration of standard containers was, it should be noted, divided between two departments: the Bureau of Standards of the Department of Commerce administering the Standard Barrel Acts (for fruits, vegetables, and other dry commodities) and the Department of Agriculture administering the Standard Containers Acts. An argument supporting the assignment of such responsibility to Agriculture was expressed in the Report of the Joint Commission of Agricultural Inquiry: 53

The producer is most vitally concerned in the proper preparation of his product for market and his success depends in a measure upon the reputation for quality and uniformity which the product earns. Therefore, as a general rule it seems that the grower, acting either individually or cooperatively, rather than the buyer, should supervise the packing and grading of fresh fruits and vegetables.

Up to 1938, however, no federal standards were in force for crates, boxes, cartons, drums, and sacks, in which most fruits and vegetables were supplied.

MARKETING PRACTICES

Grades and standards helped protect the farmer's market and gave him some assurance that he would be paid for his produce in accordance with its quality. As he became increasingly dependent upon large and impersonal markets he was confronted with a mounting list of abusive practices which cut into his net returns and against which he, as an individual, was virtually helpless. Beginning in 1914 several statutes⁵⁴ designed to protect the producer were assigned to the Department for administration; thus, policing of markets and exchanges was added to its responsibilities. A brief discussion of one of these statutes, the Packers and Stockyards Act of 1921, will indicate problems of interest to students of public administration.

The roots from which this Act sprang extend back to the latter part of the nineteenth century. The meat-packing industry was, with rail-

 ⁵³ Marketing and Distribution (1922), p. 73.
 ⁵⁴ The Cotton Futures Act of 1914, Warehouse Act of 1916, Packers and Stockyards Act of 1921, Produce Agency Act of 1921, Perishable Agricultural Commodities Act of 1930, and the Commodity Exchange Act of 1936.

roads and other incorporated interests including banking and marketing agencies, the beneficiary of the stupefying prosperity that grew out of the rapid expansion of the nation during that era. Generally associated with this prosperity were various practices that aroused widespread resentment, direct results of which were the Interstate Commerce Act and the Sherman Anti-Trust Act. Under the latter Act the national government sought to curb the monopolistic practices of the meat packers, which were disadvantageous both to consumer and producer. In 1903 the "big five" among the meat packers were enjoined from conspiring in restraint of trade.⁵⁵ This decree, however, was only temporarily beneficial; within ten years criminal proceedings were instituted against the same packers, though unsuccessfully. Gradually it was realized that the packers' trust could not effectively be broken through proceedings pursuant to antitrust laws. Specific legislation dealing exclusively with the packers was called for, and a series of bills was introduced into Congress.

On February 7, 1917, President Wilson directed the Federal Trade Commission to investigate the meat-packing industry. The final report substantiated most of the charges against the packers: a monopoly and practices unfair to producer and consumer were found to exist. The report pointed out that the monopoly of the "big five" extended beyond their packing activity and included effective control of trade from the producer to the consumer, largely through the ownership of a controlling interest in the important stockyards of the country. Through control of stockyards the packers also dominated dealers and commission merchants. 56

Control of stockyards comprehends control of livestock exchange buildings where commission men have their offices; control of assignment of pens to commission men; control of banks and cattle loan companies; . . . and in most cases control of all packing house and other business sites.

Subsequently a bill was introduced into Congress that in 1921 became the Packers and Stockyards Act.⁵⁷

While the bill was pending before the House Committee on Agriculture, a new antitrust proceeding was filed against the packers,

⁵⁵ Swift & Co. v. United States, 122 Fed. 519 (1903); affirmed 196 U.S. 375 (1905). ⁵⁶ Summary of Report of the Federal Trade Commission on Meat Packing Industry, July 3, 1918; quoted in Department of Agriculture, "Administrative Procedure and Practice in the Department of Agriculture Under the Packers and Stockyards Act, 1921" (mimeo.), prepared by Ashley Sellers, pp. 4–5. ⁶⁷ Ibid., pp. 5–6.

who immediately consented to the entry of a decree enjoining them from much of the illegal activity alleged in the bill. News of the entry of this decree, "like a clap of thunder out of a clear blue sky," reached the Committee in the midst of its deliberations on the bill, and undoubtedly exercised a tremendous influence over the decision of first the Committee and subsequently that of Congress as a whole. Despite the personal appearance of the Attorney General before the Committee to recommend the defeat of the pending bill on the ground that the decree had eliminated the evils in the packing industry, the general reaction to the decree was unfavorable, and the effect of its entry, if anything, was to hasten the passage of this legislation. There was a dominant belief that no mere judicial decree could curb the illegal practices of the packers. The suspicion persisted that the packers had consented to the injunction principally to forestall legislative action against them, and only the most optimistic believers in the efficacy of the antitrust laws and their enforcement by judicial process were disposed to entrust the whole case against the packers to the vigilance of the Department of Justice. Sponsors of the pending bill adroitly proclaimed the inadequacy of the antitrust laws and their lukewarm reception by courts generally. If the packing monopoly was to be successfully dealt with, additional machinery was required. An administrative agency such as was already in operation in other fields of regulation quite naturally was suggested for the purpose. Under such circumstances, the bill became law.

The delegation of the administration of this Act to the Department was largely fortuitous. Efforts were made to name the Federal Trade Commission as the enforcing agency, but the existence in the Bureau of Animal Industry of a corps of veterinarians whose experience had given them a familiarity with the farmer won the day.

The original Packers and Stockyards Act really embraced two subjects. One dealt with the regulation of packers; the other, with the regulation of stockyards and transactions at stockyards. The first part prohibited specific practices and charged the Secretary of Agriculture to make formal complaint against any packer whom he believed to be violating the law. Contrary to the procedure under the antitrust acts, which called for an action before a court of law, the Secretary was authorized to conduct a full hearing on the complaint and, upon finding a violation, to order the packer to cease and desist from the practice. From his determination appeal could be taken to the circuit court of appeals and, by writ of certiorari, to the United States Supreme Court.

Under the second part of the Act the Secretary, within certain limitations, was authorized to determine the stockyards to which the Act was applicable and subsequently to obtain complete information on the identity, activities, and practices of each operator in them. Within each of such stockyards every owner and market agency was required to furnish reasonable and nondiscriminatory services at just rates and under just, reasonable, and nondiscriminatory practices. Again, the Secretary was given extensive responsibilities and powers exercisable after full notice and hearing, though enforcement of his orders, determinations, and penalties required action in a federal district court. In 1935 the Act was amended by the addition of a new title pertaining to the live-poultry industry. This amendment followed exposures of racketeering in the poultry industry, which were as costly to the producer and consumer as the meat-packing monopolies of earlier years.

It may be emphasized that this legislation developed only after the inadequacies of antitrust laws were demonstrated. That the antitrust legislation came first, and from the same roots, makes clear that these were problems of the whole economy and were not exclusively agricultural. We may only speculate on the Department's role in the regulation of markets and exchanges had the antitrust and trade-practice legislation proved more adequate. The Department has, however, been authorized to administer a large number of market and exchange regulatory statutes and has thus been given extensive rule-making and adjudicative responsibilities involving complex administrative problems.⁵⁸ That the Department, representing a particular group, has been given a major part in the policing of markets and exchanges, which affects all groups, underscores the importance of its regard for the public interest in harmonizing the pressures placed upon it.

56 For general discussion of this subject see John Dickinson, Administrative Justice and the Supremacy of Law in the United States (1927); Frederick F. Blachly and Miriam E. Oatman, Administrative Legislation and Adjudication (1934), Federal Regulatory Action and Control (1940); W. A. Robson, Justice and Administrative Law (1928); Lord Hewart, The New Despotism (1929); James M. Landis, The Administrative Process (1938); Ernst Freund, Administrative Powers Over Persons and Property (1928); and The Report on Ministers' Powers (1932). I. L. Sharfman, The Interstate Commerce Commission (1931–37) also discusses these problems, particularly in Part IV. In connection with governmental reorganization see Senate Report No. 1275, 75th Cong., 1st sess., Investigation of Executive Agencies of the Government (Preliminary Report of the Select Committee of the United States Senate to Investigate the Executive Agencies of the Government), and the Report of the President's Committee on Administrative Management. See also decisions of the Supreme Court in Morgan v. United States, 298 U.S. 468 (1936) and 304 U.S. I (1938). Special studies of administrative procedure and practice have been made by Ashley Sellers, Office of the Solicitor, Department of Agriculture; for example, "Administrative Procedure and Practice in the Department of Agriculture Under the Packers and Stockyards Act, 1921" (mimeo.); and "Administrative Procedure and Practice in the Department of Agriculture Under the Agricultura Marketing Agreement Act of 1937" (mimeo.). See also Sen. Doc. No. 186, 76th Cong., 3d sess., Monographs of the Attorney General's Committee on Administrative Procedure, described below, p. 356, n. 57. Parts 7 and 11 deal with activities of the Department of Agriculture.

TRANSPORTATION

In 1938 the Department was given a new and significant role in the transportation of agricultural commodities. Under the Agricultural Adjustment Act of 1938 the Secretary of Agriculture was authorized to make complaints to the Interstate Commerce Commission about "rates, charges, tariffs and practice relating to the transportation of farm products." 59 Here a significant administrative device was provided whereby the interests of one department might influence the activities of another national agency. The Secretary also had the right, when others filed complaints about the transportation of farm products, to be notified of such action and, when the matter affected "the public interest," to be made a party to the proceeding. Thus, the Secretary was constituted an attorney for agriculture before the Interstate Commerce Commission. Contrary to some observers, 60 we do not feel that this change conferred upon a limited group a special privilege. The Secretary was given no power to compel the Commission to act outside or contrary to its acknowledged responsibility. It was his job merely to see that the farmers' interest contributed to an evaluation of the public interest. Perhaps other groups should have been given comparable representation; perhaps some were satisfied with private representation. Nevertheless, by this procedure the balanced interests of one group might be brought to bear upon an activity affecting the public interest.

* * *

Thus far we have noted the rise in the Department of activities pertaining directly to marketing. In response to particular problems these activities have sought to facilitate the sale of farm produce, to protect the farmer in his purchases, and to protect his interest in market and exchange practices. Grade and standards work has developed in connection with these activities as a special service, usually on a fee basis. In response to the pressures of consumer interests, and because of specialized facilities or influential personnel in the Department, activities seeking to protect the consumer in the market place have been added. As a group these marketing activities have contributed to the process of moving goods from the producer to the consumer—one of the fundamental functions of government itself. Extensive as this group of activities has been, however, it has reached only a part of the larger problem of distribution.

⁵⁹ 52 *Stat. L.* 36, sec. 201. ⁶⁰ See below, p. 282, n. 21.

CHAPTER 10

MARKETING AND DISTRIBUTION (CONCLUDED)

THE LAW OF SUPPLY AND DEMAND presupposes the ability of the producer to adjust his output to the market and thus to assure himself a "fair" return for his efforts.¹ Whatever its justification in a simple agrarian society, this tenet gave no comfort to the farmer of later decades: he found out that however much he limited his production, prices were determined in world, not local, markets and that his efforts had practically no effect upon world supply or price—he was but one of some six million farmers in this country alone.

The inadequacy of individual effort did not disprove the law of supply and demand; it indicated that, to make the law work to their advantage, farmers would need to act collectively in controlling the supply of commodities. At this stage, it was assumed that such collective action would naturally follow if all were aware of impending market conditions. The farmer individually could not discover such information, but the Department could collect, analyze, and make available the findings of statistical economic information. As the supplies of agricultural commodities increasingly overshot demand, government aid in the collection and dissemination of such information was petitioned. The first appropriation for agriculture, in 1839, authorized the collection of statistical information.²

Henry L. Ellsworth, the Commissioner of Patents, declared in 1839 that farmers could not indefinitely leave the collection of agricultural statistics in the hands of private individuals, and he assigned a clerk to collect them from volunteer correspondents. But it was a long time before the Government did anything extensive along this line. In 1862 Agricultural Commissioner Newton saw in statistics "the key which is to unlock the hidden treasure of maturing nature." Newton believed statistics would reveal to the husbandman and merchant the great laws of demand and supply, and enable both to work out a safe and healthy prosperity. In 1882 Jacob R. Dodge the Department's chief statistician, held an equally rosy view. He thought statistics would permit the farmer to raise "the most efficient

¹This statement implies the availability of alternative employment for those who fail. ²Chew, "Evolving Service Functions of the Department of Agriculture," *Rural America*, February, 1938, p. 11.

crops in the most efficient climates at the most profitable times" and to lay out his capital and labor generally to the best advantage.

ADJUSTMENT

Increased emphasis upon adjusting supply to demand led to the creation of the Office of Markets and Rural Organization in 1913, the Bureau of Markets and Crop Estimates in 1921, and the B.A.E. in 1922. In 1923 the system of Outlook Reports was developed for the purpose of indicating anticipated production and normal demand in order that farmers might readjust their acreage accordingly. This service was continued and amplified to assist "American farmers to adjust their operations and practices to meet world conditions" by the creation of the Foreign Agricultural Service in 1930. This Service absorbed and extended the Department's foreign economic reporting, but the personnel stationed abroad became officially attached to the diplomatic missions or consulates of the countries in which they operated.4

Cooperatives and Other Marketing Services

During the twenties, when these reporting services had thus been extended, the movement developed for farm cooperatives and other marketing services. The reduction in prices incident to the inability of consumption to keep abreast of supplies was borne largely by the farmer. Marketing costs were not reduced proportionately; in fact they claimed an increasing share of the price paid by the consumer. Producer cooperative organizations were encouraged as a means of reducing the marketing costs through standardization of grades, containers, and methods and of increasing producer prices by releasing supplies in accordance with demand.⁵ The gap between what the consumer paid and what the farmer received was to be reduced. The B.A.E.6 undertook research in these matters. Congressional efforts, beginning with the Joint Commission of Agricultural Inquiry in 1922, reached

³46 Stat. L. 497. We should note the earlier efforts of David Lubin of Sacramento, California. It was his agitation for better information for the farmer about international economic conditions that led to the organization of the International Institute of Agriculture at Rome.

⁴This interdepartmental arrangement was advantageous in collecting desired data, though it raised many questions about foreign relations. By Reorganization Order No. 2 the Foreign Agricultural Service was transferred to the Department of State in 1939. ⁵The transfer of the F.C.A. to the Department of Agriculture in 1939 brought to the

Department the extensive cooperative activities of the F.C.A.

⁶The B.A.E. continued and expanded the acquisition of economic data about the marketing of farm commodities, which was to be of great value in the development and administration of farm programs after 1933. See above, pp. 50-52, for a discussion of the B.A.E. as a general-staff agency of the Department in the economic field.

their height in the Agricultural Marketing Act of 1929.⁷ Supplementary marketing services were rendered by the Department in the form of information on improved methods of preparing produce for markets and also on the best time and place for the sale of such produce. In 1924 Congress established in the Department of Agriculture the Bureau of Dairying (later known as the Bureau of Dairy Industry) for the purpose of investigating the dairy industry and of disseminating information to aid its promotion. Publications of the Department on marketing are extensive.⁸

The plight of the farmer in the twenties was related by one group of agricultural leaders to the small share of the national income that agriculture received. Statistics revealed that farmers were receiving a lower percentage of the nation's income than before the war and were interpreted to mean that the farmer was no longer receiving his "fair share" of that income. This conception of the farm problem constituted a special argument and a justification for governmental aid in restoring that "fair share" to the farmer; it provided a nice point about which different groups interested in improving the farmer's economic status could be rallied. Hence, the farmers could effectively support the development of programs contributing to this end. Furthermore, it brought specific proposals for government action, the most important of which were the equalization fee, export debenture, and domestic allotment plans. Each was supported by one of the major farm organizations and was calculated to raise prices to the farmer. Each was based

⁷See above, p. 64.

⁸A sampling of titles will indicate the scope of marketing activities: Farmers' Bulletins such as Marketing Farm Produce by Parcel Post (1551), Grading Wool (1805), Marketing Poultry (1377); Leaflets such as Maintaining the Health of Livestock in Transit (38), Preparing Wool for Market (92); Circulars such as Analysis of the Operations of a Cooperative Livestock Concentration Point (142), Wholesale Markets for Fruits and Vegetables in 40 Cities (463), Packaging, Curing, and Merchandising American Cheddar Cheese in Cans (16); Department Bulletins such as Accounting Records and Business and Minnesota Creameries (690); and Miscellaneous Publications such as Testing Milk and Cream (138), Economic Survey of the Live-Poultry Industry in New York City (283).

See Campbell, op. cit., passim; Christensen, op. cit., passim.; also Lawrence Myers, Chief, Marketing Section, A.A.A., "Agricultural Programs and the Processing Tax," address before meeting of the Underwear Institute, Philadelphia, April 28, 1938 (mimeo.): "Out of the farm relief movement of the early 1920's came the tariff equalization fee proposal which was embodied in the McNary-Haugen bills. This proposal was first set forth by Mr. George N. Peek and General Hugh S. Johnson in their pamphlet 'Equality for Agriculture.' The equalization fee, which is identical with the processing tax of the Agricultural Adjustment Act of 1933, provided for the collection of a fee upon the domestic processing of a commodity. This fee was to be equal to the difference between the actual farm price and the parity price of the commodity. The parity price was a price which would restore the purchasing power of the commodity to its pre-war level."

upon the contention that the farm problem arose from the necessity of agriculture to market its products in competition with the unprotected products of the rest of the world, while it produced under a system of protective tariffs and other protective legislation. Under these plans the farmer would be given the equivalent of a tariff on that part of his production consumed in the United States.

With the failure of the Outlook Service and the campaigns of the Farm Board to bring about voluntary reduction in production, it became more generally asserted that no effective program would be possible without an adjustment in crop acreage. Little consideration was given to the possibility of approaching the problem through a positive increase in consumption when there was real demand but inadequate purchasing power:10

There has been much talk in recent years among general economists about underconsumption: but in discussions on a national plan for agriculture little attention has been given to the possibility of an increase in demand for agricultural products resulting from any social change, domestic or foreign, that would enable the masses to equate their real with their effective demand. It is agreed that during the last two or three years their purchasing power, the "effective demand," has not sufficed to satisfy their real demand for agricultural products. But is this true also from a long-time point of view?

After the failure of past programs agricultural economists, with representatives of the B.A.E., the Federal Farm Board, and the land-grant colleges, met in Chicago late in 1931 to discuss such a national plan.¹¹ Persia Campbell observes, however, "It is evident from the discussions at the Conference that the idea of a national plan for agriculture is still in an amorphous state."12 Nevertheless, the efforts revealed the rapidly declining reliance upon laissez faire. The problem of the farmer and his market remained.

Production Control

After the new national administration took control in 1933 a farm bill was introduced in Congress incorporating a program based upon the original domestic allotment plan, but it developed into a production control plan. The bill became the Agricultural Adjustment Act of 1933. The production control features of the new program represent

¹⁰ Campbell, *op. cit.*, pp. 268–69.

¹¹ Note that the National Conference on Land Utilization was held in the same year. See above, p. 140. ¹² Campbell, op. cit., p. 260.

an extremely significant shift in national policy. For the first time an extensive direct-action program was based upon the use to which the farmer put his land. Pecuniary inducements were offered in exchange for adjustments in acreage and restrictions of crop plantings by the owners and operators of all the privately owned agricultural land in the nation. The Act presented, in addition, important administrative problems.

Administration of the Act involved the negotiation of a contract with every producer who offered to participate. Direct administrative responsibility was placed in the Department; state agencies were not authorized to assume such responsibility. The state extension services, however, with county agents in each agricultural county, were asked to cooperate. The seriousness of the farm problem and the emergency nature of the Act made immediate action vital. It was already too late to influence spring plantings, and efforts at immediate results through the "plowing under" of growing crops resulted in unfavorable publicity. Furthermore, the recruiting of the extension services placed upon them an added burden taxing their ability to perform both ordinary and emergency activities adequately, induced petitions for increased appropriations, and, after meeting the complaints of dissatisfied participants, brought forth the contention that they should "keep out of politics."

The administration of the program also had to meet the pressures of commodity groups, the organization and support of which had long sustained a demand for a national farm program. These groups had been promised an advisory role in the formulation and administration of the commodity phases of the program. The Administration had to cope with the pressures of groups that, since they represented primarily the owner class, pressed for policies favorable to themselves regardless of the interests of tenants and sharecroppers. In making these demands effective the A.A.A. came into conflict with a group in the Department that, to compensate for the injustices, became a motivating factor in the development of the F.S.A.

The Act authorized the Secretary to establish "for the more effective administration of the function vested in him" state and local committees or associations of producers and to permit producer associations to act as agents for their members in distributing rental or benefit payments. This procedure was the first of the many efforts to democratize the

¹³It has already been noted that the organization of the A.A.A. shifted later from a commodity to a regional basis.

administration of farm programs.¹⁴ It helped assure farmers' participation and interest; it provided a means of bringing to bear upon the administration of the program information about, and experience with, different commodity problems. The Department had launched a new and bold program; it would profit from the support and participation of local farmers.¹⁵

Administrative Problems

Important administrative problems arose from the organization of the A.A.A. as a complete unit within the Department. It became, in effect, a department within the Department; it had its own planning staff and its own information and other auxiliary services independent of close integration with the relevant general-staff and auxiliary services on the departmental level. It has been said that such an organization was necessary because of its special responsibilities and because of the need for control of the instruments in order to discharge its responsibilities to the farm groups. The B.A.E. was not, therefore, integrated with the A.A.A. program. The departmental reorganization of 1938, however, transferred the Program Planning Division of the A.A.A. to the B.A.E. Prior to 1938, the separation gave rise to difficult problems of integration.

The Agricultural Adjustment Act of 1933 also authorized the negotiation of marketing agreements with "processors, associations of producers, and others." After the invalidation of the Act in the *Hoosac Mills* case ¹⁶ the marketing sections were reenacted. ¹⁷ Provision was made for the issuance of marketing orders covering certain commodities if it was determined, by referendum, that two-thirds of the producers of a commodity favored the issuance of an order and if the handlers of

¹⁴Before coming to power the Democratic party had committed itself to a policy of consultation, both in the formulation and administration of the program and in the use of democratic processes. The support of Secretary Wallace and other agricultural leaders

contributed to the adoption of the technique.

¹⁵The phrase "democratization of farm programs" really means that farm groups have been given formal and legal means of bringing their own interests to bear upon policy and procedural determination. It should be noted that "farmer democracy" is for the farmer and fails to include a positive conception of the public interest. It seeks, too frequently, to obtain support for farm operations in areas, such as the arid regions, where the public interest might be better advanced by the complete elimination of such operations. It fails, in other words, to recognize that agriculture is an integral part of the national economy and that its proper interrelation with that economy is a national matter, greater, indeed, than all of agriculture, and not a local, special-interest prerogative. Thus, again, it is the function of the Department to harmonize these pressures in the public interest.

¹⁶See above, p. 78, n. 21.

¹⁷50 Stat. L. 246.

50 per cent of the volume signed the marketing agreement. 18 An agreement and order usually dictated the volume of a commodity that could be marketed within a stipulated period, the distribution of shares of such volume among producers, and restrictions on specified grades; milk-marketing agreements sought to establish uniform plans under which all handlers would pay the same price for milk to be used for a given purpose. Marketing agreements and orders in effect gave to cooperative associations the legal power to compel a recalcitrant minority to comply with a uniform program. The program placed upon the Department the tasks of holding hearings and referenda, of preparing agreements and orders, and of enforcing orders. Problems of relations with states, cities, and private organizations arose from constitutionally limited jurisdictions; 19 the administrative task of integrating the program with other marketing and land-use activities within the Department became important; and problems of rule-making and review were increased.

Difficult problems also arose from efforts to protect consumers' interests. Congress had stipulated that the consumer be protected; increases in consumer prices brought adverse pressure from urban areas. The problem became most pressing about marketing agreements and orders because here, by express provisions, producer prices would be increased. Milk agreements and orders became particularly difficult because the producer, so interested in benefiting himself, would agree to a substantial increase in the retail price of milk in order to receive an additional fraction of a cent per quart. The Consumers' Counsel of the A.A.A. was created to protect the consumer, who found himself ill received at hearings preliminary to agreements.²⁰ So obsessed was the farmer with the increase of producers' prices through marketing programs that he supported the Anti-Hog-Cholera Virus Act²¹ (enacted after the N.R.A. was declared unconstitutional) authorizing a new code which, in addition to guaranteeing an adequate supply of such serum and virus, would support marketing agreements resulting in increased prices to the farmer himself. The farm program was the farmers' program.

¹⁸The Secretary could issue an order with the approval of the President under certain conditions, even though a sufficient number of handlers did not sign the agreement, if two-thirds of the producers favored the order.

¹⁹The United States Supreme Court in 1939 reversed a lower court decision and upheld the constitutionality of a marketing order for the New York milkshed. *United States* v. *Rock Royal Cooperative et al.*, 307 U.S. 533.

²⁰ For further discussion of the Consumers' Counsel see below, p. 202.

^{21 49} Stat. L. 750.

It should be added that the Agricultural Adjustment Act of 1933 authorized the Secretary to purchase all cotton held by the Federal Farm Board or other agencies of the government and to contract options for the purchase of such cotton by producers in amounts equal to their reduction of production. Much of this cotton, with that acquired after subsequent loan agreements, remained in the hands of the national government as late as 1939 and presented problems of handling and disposition.

Amendments to the Agricultural Adjustment Act

Amendments to the Agricultural Adjustment Act in 1935²² authorized additional activities affecting the marketing of farm commodities. Imports of agricultural products in such quantities or under such conditions as to interfere with the accomplishment of the purposes of the Act were, after determination by the President, to be investigated by the United States Tariff Commission; on the basis of its recommendations the President could proclaim import restrictions. Subsequently, of course, the Trade Agreements Program of the Department of State was to supersede this provision. But under both programs the Department of Agriculture was to be called upon to establish special interdepartmental collaboration in order to effect some harmony between national and international policies.

The new Act also appropriated for each fiscal year 30 per cent of the customs receipts to be used by the Secretary to encourage the exportation of farm commodities by benefit payments, to encourage domestic consumption by subsidizing the diversion of farm produce from the normal channels of trade, and to finance adjustments in the quantity of crop production for market.23 Thus, independent of annual appropriation acts, large sums of money were at the disposal of the Department to contribute to the increase and maintenance of farm prices. The facilities of the Federal Surplus Commodities Corporation were drawn upon to aid the administration of domestic disposals through the distribution of surplus food stocks, through state agencies, to relief clients. This Corporation, created in 1933 under the laws of Delaware as the Federal Surplus Relief Corporation (its name was changed in 1935), was, by act of Congress in 1937,24 continued as an agency of the national gov-

 ²⁸The Soil Conservation and Domestic Allotment Act of 1936 changed this last provision to provide for payments in connection with normal production for domestic consumption.
 ²⁴ 50 Stat. L. 323. For a discussion of problems of public corporations affecting the Department of Agriculture see below, p. 267.

ernment under the direction of the Secretary of Agriculture. Export inducements were to become more important in later years and were to involve vital questions of international relations. Four regional research laboratories were established to investigate new uses for agricultural products.²⁵

After the United States Supreme Court held that benefit payments supported by processing taxes were unconstitutional, a new program (already conceived) was based upon payments to farmers in return for their adoption of stipulated soil conservation and soil erosion control practices. It is significant that the major soil-depleting crops were also those in which surpluses existed and which had been most severely subjected to debased prices. At this point, then, problems of marketing jibed with problems of land use, and the integration of the programs of the Soil Conservation Service and other land programs with production control and marketing programs—an integration, incidentally, which admittedly had not been achieved satisfactorily up to 1939—would have to be furthered.

Agricultural Adjustment Act of 1938

The Agricultural Adjustment Act of 1938 continued benefit payments for conservation and erosion control practices. It also provided payments in return for acreage adjustments. This program was effectively comparable to the basic principles of the 1933 Act but without processing taxes and with an elaborate system of determining crop quotas for each farm. Through local and county committees established in 1933 the A.A.A. had collected annual crop production records for individual farms. With these data it would now be possible to ascertain that proportion of the historic production of a crop that had been contributed by each farm; hence, it would be possible to calculate acreage adjustments on each farm that would, collectively, meet a national production goal. In addition to payments for conservation practices, producers of certain crops would, if they did not exceed their acreage allotments,

²⁵These laboratories strengthened a regional-ecological approach to the farm surplus problem. Whatever political expediency was reflected in the location of the laboratories in the four major geographical sections of the country merely emphasized the ecological vitality of political representation. New uses for farm products might or might not relieve the presence of surpluses. Without increased consumer purchasing power a new use for one product would probably decrease the consumption of another. Commodity interests might find themselves competing for shares of too small a pie. New uses for cotton and cotton waste products were dramatically developed, but the condition of the cotton industry, except for government subsidies, was at a low ebb in 1939. New cotton uses competed with the fertilizer, pork, rayon, and other interests.

receive additional price adjustment (parity) payments per unit of their

normal production on such acreage.

The 1938 Act also provided for marketing quotas of tobacco, corn. wheat, cotton, and rice. Such quotas were to be proclaimed by the Secretary whenever he determined that the total supply of a commodity as of a given date would exceed by a stated percentage the normal supply. These quotas were to be apportioned among the states, counties, and farms according to historical marketing records. But no such quota would become effective if, after a referendum, one-third of the producers disapproved it.27 Penalties were provided for noncompliance with marketing quotas that became effective. Apportionments of a national quota to states and counties were to be made by the Secretary; the allotments to individual farms, by local committees. All such allotments were based upon formulae incorporated in the legislation. In all instances the farmer was given the right to appeal from the determination of the committee to a special review committee composed of three farmers appointed by the Secretary. This review procedure raises interesting questions of administrative law which may well be explored by students of public administration. Provision was also made for further appeal to a United States district court, or to a state court having jurisdiction, on questions of law alone. Thus, layman, official, and judge shared responsibility.

Another important activity authorized by the 1938 Act was the crop insurance program applicable to wheat. The Federal Crop Insurance Corporation was "created as an agency of and within the Department of Agriculture" with a capital stock of \$100,000,000. In return for annual premiums, payable in wheat, the corporation was authorized to guarantee from 50 to 75 per cent of the normal production of wheat by the insured. Benefits were to be paid in kind, out of the premiums that were kept in storage. Thus, crop insurance approached an "ever-normal granary" for wheat. Premiums, naturally, had to be based upon risk and must be determined, as nearly as possible, in accordance with the peculiar conditions of each farm. Only the farm and county crop production records of the A.A.A. and B.A.E. made such rate determinations possible at all; further information and experience would provide bases for rate adjustments. The program was integrated with the agricultural adjustment program by the administrative provision that crop

²⁷It is impossible to measure with mathematical accuracy the supply of a given commodity. At times, therefore, the Secretary may with equal legitimacy find the situation either positive or negative as to the need for a vote on marketing quotas.

insurance would be available only to those who participated in the production control programs.²⁸

INCREASED ADMINISTRATIVE PROBLEMS

Collection and dissemination of economic information, outlook reports, improvement of produce for market, producer cooperative associations, production control, export subsidies, subsidies for increased domestic consumption and diversion of uses, marketing agreements, marketing quotas, benefit payments for conservation and soil improvement practices, loans, crop insurance, and parity payments—all these were multiple efforts to increase prices paid to farmers for farm produce and to help guarantee to them a "fair share" of the national income. Placed within the Department of Agriculture, these programs increased the size—annual appropriations swelled to nearly \$1,500,000,000—and the complexity of the Department's administrative structure. The general staff was hard put to harmonize the different programs and the special commodity and areal pressures into a unified whole; the auxiliary services, organized and manned for a smaller Department, were taxed seriously by the increase in their responsibilities. The interrelations of these programs were intricate and produced complex administrative problems. Moreover, the whole group was interrelated with other phases of the Department's activities. Grades and standards became extremely important in the administration of marketing agreements and marketing quotas; crop production and improvement must be integrated with production control; price, population, tenure, and other information must be drawn upon and expanded; and all must be integrated with the land-use programs on an areal basis.

The Department's price-raising efforts—like production, grades and standards, and market and exchange practices—were developed with emphasis upon farmer interest. Administrative problems have been made more difficult, however, by the fact that the farm problem is not exclusive: it is but a part of (contributing to and affected by) national economic conditions. Increased prices to the consumer, without compensating benefits, would result in a decrease of consumption, an aggravation of surplus conditions,²⁹ and further disadvantages to the farmer.

²⁸The Act also provided for commodity loans, special cotton price adjustment payments, and cotton-pool participation trust certificates.

²⁰ George B. Hotchkiss, in *Milestones of Marketing* (New York: Macmillan Company, 1928), points out (pp. xv-xvi) that the problem of surpluses is not new: "Perhaps more serious than any of these pitfalls is the almost universal human tendency to judge past conduct and motives in the light of our later and better knowledge. For example, it is

Congress itself ordained in the Agricultural Adjustment Act of 1933 that the consumer be protected from the hardships of increased prices; emphasis upon this point became increasingly sharp in subsequent legislation.³⁰ While farm groups pressed for advantages through interpretation and calculations of parity prices, urban groups pressed for increased consumer protection.

CONSUMERS' COUNSEL

Within the Department itself a special administrative device, the post of Consumers' Counsel of the A.A.A., was created in 1933 to give consideration to consumers' interest. The philosophy behind the creation of this office was stated in a letter from the Secretary of Agriculture to Administrator Peek:³¹

You have already provided, through your two divisions, for adequate representation of the producer and the distributor and processor. These two divisions are headed by men who have broad experience and sympathy with these groups of interests. If we are to justify our decisions before Congress and other political groups, however, the record must show that we have given equal consideration to the consumers' interests. That was why I suggested the creation, within your organization, of a unit specially charged with examining each

commonly believed that men of bygone days lived in a scarcity economy and were preoccupied with the task of producing enough to satisfy their needs, whereas ours is an 'age of abundance' in which for the first time the problem of distribution has become of paramount importance. From our viewpoint this is true, but from the viewpoint of our ancestors it was not true. For the past five hundred years at least, fear of scarcity was far less common than fear of surplus. Persistent attempts were made to guard against over-production, and the typical method of bringing about a balance between supply and demand was by curtailing supply. Only for short periods, or in limited groups, were producers ever free from worry regarding the marketing of their merchandise and services." ³⁰ 48 Stat. L. 257: "To protect the consumers' interest by readjusting farm production at

such level as will not increase the percentage of the consumers' retail expenditures for agricultural commodities, or products derived therefrom, which is returned to the farmer, above the percentage which was returned to the farmer in the prewar period, August

1909-July 1914."

49 Stat. L. 750: "Such powers shall not be used to discourage the production of supplies of foods and fibers sufficient to maintain normal domestic human consumption as determined by the Secretary from the records of domestic human consumption in the years 1920 to 1929, inclusive, taking into consideration increased population, quantities of any commodity that were forced into domestic consumption by decline in exports during such period, current trends in domestic consumption and exports of particular commodities, and the quantities of substitutes available for domestic consumption within any general class of food commodities. In carrying out the purposes of this section due regard shall be given to the maintenance of a continuous and stable supply of agricultural commodities adequate to meet consumer demand at prices fair to both producers and consumers."

The Agricultural Adjustment Act of 1938 repeated this consumer protection provision but changed the phrase "due regard shall be given to the maintenance of. . " to read:

"it shall be the duty of the Secretary to give due regard to. . .".

⁸¹June 10, 1933. Quoted in "Administrative History of Consumers' Counsel" (unpublished).

proposed action from the consumer's point of view; and staffed and equipped to carry out the necessary accounting, statistical, and economic investigations as a basis for its reports to you. With formal reports covering this aspect, as well as the other aspects of each agreement, in front of you before you took final action, we would be well able to defend our decisions when the inevitable public investigations of our operations are made.

I have checked with the President as to my point of view in this matter, and find that he agrees with me thoroughly. He feels we should see that our organization is so developed that the consumer is fully protected, and that the record of our work on each case is clear when the time comes for the later inspection and investigation.

The duties of the Consumers' Counsel were expressed in a letter issued by C. C. Davis, Administrator of the A.A.A., on April 25, 1935, and in a statement appearing frequently in the *Consumers' Guide*.

As I see it, under the Agricultural Adjustment Administration the office of the Consumers' Counsel has a two-fold responsibility. . . .

Its function, so far as the Agricultural Adjustment Administration is concerned, is to represent the interest of the consumer at every stage in the Administration's activities. When a commodity control program, a marketing agreement, or a licensing agreement is under consideration it is essential that both producers' and consumers' interests be represented by trained economists, highly skilled in research and in the interpretation of economics. In many cases, there is no conflict of interests: the consumer wants the producer to receive the kind of returns for his produce that will insure the continuance of an adequate food supply, and the farmer wants the consumer to be able to buy an adequate volume of farm products. In some cases, where there is some apparent conflict, on particular points, it is the function of the Consumers' Counsel to represent the consumer and assist in finding the point of maximum justice to both producer and consumer.

Once a program, a marketing agreement, or a license is in effect, it is the function of the Consumers' Counsel to observe its operation, and determine whether or not the results anticipated at the time it was framed are actually being obtained. Should it appear that they are not, the Counsel has a double duty, a duty to urge reconsideration of the program within the A.A.A. to see if the fault needs to be remedied by a change in the provisions of the program, and a duty to give publicity to the facts as they exist.

The giving of publicity is particularly important in the cases where the proper amount of the price paid by the consumer is not being passed on to the farmer, but is being unjustifiably retained as a margin by the middleman. Effective work on making public undue spreads between prices paid by consumers and prices received by farmers has already been done by the Counsel in a number of instances.

The Consumers' Guide, issued by the office of the Counsel and sent free on application, is the vehicle through which pertinent information regarding price movements and living costs is transmitted to individuals and groups concerned with the consumers' interests.

We should note also the statement of Donald E. Montgomery, Consumers' Counsel at the time of this study:³²

The present Consumers' Counsel conceives his public relations responsibilities to be directed to furthering the legitimate demands for information and service coming from this great mass of organized consumers. In doing so, he believes that he is contributing to a strengthening of the long-time objectives of agriculture, as well as to the immediate necessities of the Agricultural Adjustment Act. No sound farm program can be conceived in the limited terms of a pressure group program. Agriculture is too large a part of the nation's economy and too closely affects the lives of every one to be operated successfully on the basis of special interests or of a private program.

Nevertheless, in the operation of any plan of relief for one section of the producers of the country there still remains the practical everyday problem of pressure groups. The Administration has before it the task of channeling the demands and pressures of a segment of the population into a broad program which will build a sound national economy directed toward an increasing material abundance for all.

Place of the Consumers' Counsel in the Department

This expression of responsibilities reveals a difficult administrative problem. So conceived, the Consumers' Counsel would perform important general-staff functions of the Department. As we have already pointed out, the harmonizing of pressures from agriculture with the public interest was a basic function of the Department. It was, therefore, the responsibility of the general staff to guide such an objective. The Consumers' Counsel, however, was attached to a line agency and was supported financially by contributions from the A.A.A., the F.S.C.C., and the Sugar Division. It had, therefore, no authority to speak for the Department. We do not mean to imply that the Consumers' Counsel should be transferred to the Secretary's Office. It seems to us that efforts to harmonize special interests with the public interest can be effective at the line level. We wish to suggest, however, that such consideration

³²Undated. Quoted in "Administrative History of Consumers' Counsel."

may profitably be given at the departmental level and at the level of the national government as well, either in the Cabinet or through an agency such as the Federal Trade Commission or the National Resources Planning Board. It should also be noted that there was substantial support for the creation of a separate executive department representing the consumer.³³ An able argument in this connection has been advanced by Stacy May:³⁴

In the administrative framework of the federal government agencies have been set up to represent special economic interests. This is more or less generally recognized of the Departments of Labor and Agriculture and less generally (at the present time at least) of Commerce. But there is no department to represent the consumer interest. I think that there should be. And instead of half-heartedly trying to hold to the assumption that each department carries an over-all public interest, I should give each of these economic interest departments not only the right but even the affirmative duty of seeing that the interest it represented was put forward clearly in every case where a regulatory act of government affected it. Needless to say the regulatory agencies should be located in other departments. If something like this were done, the administrators of regulation would really represent the public interest when they arbitrated, as they must do, between the issues presented to them. But without consumer representation the balance is skewed, and the public interest is warped.

In juxtaposition to this view we place the contention—developed by Clarence E. Ayres—"that the protection of the interests of consumers is the business, not of subordinate divisions of regulatory agencies however closely coordinated or even combined, but on the contrary is the

³³Other consumer agencies created in recent years should be noted. A Consumers' Division of the National Emergency Council, succeeded by the Consumers' Division of the National Recovery Administration, became finally the Consumers' Project. The Consumers' Counsel of the National Bituminous Coal Commission was transferred by Reorganization Order No. 2 to the Solicitor's Office of the Department of the Interior. In an address before the American Retail Federation on May 22, 1939, Secretary of Commerce Hopkins made this statement (*Congressional Record*, May 23, 1939, p. 8486): "While there are several agencies in the Federal Government engaged in activities for the benefit of consumers, I have always felt that the Government's whole program has never adequately protected and promoted their interests. I am convinced the Department of Commerce should play an appropriate role in such a program. The development for consumers of standards and grades of certain products and the conducting of research in business practices directly affecting consumer interests are within the scope of the Department's purposes."

The Wheeler-Lea Act of March 21, 1938, broadened the powers of the Federal Trade Commission to prevent business practices injurious to consumers and to prevent false advertising of foods, drugs, cosmetics, and healing devices. For a description of consumer activities of the national government see "Federal Agencies Engaged in Activities Concerned with Consumer Standards and Commodity Information," prepared by S. P. Kaidanovsky, Consumers, Project J. S. Department of Labor (1937)

novsky, Consumers' Project, U. S. Department of Labor (1937).

34 Stacy May, "The Work Most Needed in the Next Five Years," address at a Conference on Consumer Education given at Stephens College, Columbia, Missouri, April 5, 1939.

business of Government itself."⁸⁵ Whether either of these views represents the final answer to the dilemma, we do not know. The problem, however, is central to the organization of national governmental agencies and should be explored extensively. We support the contention that "the interest of the consumer is the business of Government itself." But whether that interest can best be served only through a consumers' department is not clear. In any event, we believe that effective efforts can and should be made at the administrative levels of the department, the line bureau, and the field unit.

Effects of the Creation of the Consumers' Council

The creation of the position of Consumers' Counsel in the A.A.A. and the role assigned to it presaged a significant development of agricultural policy and corollary problems of administration. For the first time the interests of consumers were brought to bear upon the administration of farmer programs through a formally constituted body. The Counsel's purpose was to prevent injury to the consumer from the priceraising efforts of farm programs. Later, departmental policy was to be influenced by a broader concept of the consumers' part in solving the farm problem: that the end of production was consumption. If all people consumed that quantity and type of food necessary in a healthful diet, surpluses would diminish, farmers could sell more and reap greater returns even at lower prices, and the farm problem would approach solution.37 That one-third of the population was undernourished and lacked the means of procuring essential foods was a good part of the "other half" of the farm problem. Its solution called for increased employment in the cities, more efficient marketing and transportation, and protective grades and standards that would permit the consumer to obtain more food for his dollar. It became a problem of distribution.³⁸

⁸⁵ "The Organization of the Government's Consumer Services," September, 1936 (unpublished).

³⁸There is the danger that the existence of a consumers' department would permit such a "ganging up" of adverse pressures that it would have great difficulty in getting appropriations. Then, too, other departments might leave to the consumers' department all consideration of the consumers' interest.

³⁷It has been argued that there is no scientific basis for this point; that a diet might conceivably be devised that would provide all the food necessary to a healthful life which would leave our surpluses greater than ever. Nevertheless, it is the view expressed above that appears to be most important in guiding policy. It must be remembered that the basic attitude of responsible administrative officials is a fact as important to the problems of public administration as a scientific truth—sometimes more so.

³⁸"The problem of coexistent want and plenty, which is utterly different today from

what it was before the industrial revolution, is a central example of the need for a new combination of the physical and the social sciences. It becomes more and more urgent.

The agricultural adjustment programs had, of course, been initiated to meet distribution problems. Farmers had suffered from a reduction in their share of the national income, and a restoration of parity would require readjustments in the distribution of that income. In support of such an objective it was argued that a larger farm income would improve the operation of the national economic system.³⁹ The restoration of parity would permit the farmer to buy the products of industry with a resultant increase of industrial employment and a larger total national income. The word "parity" reveals the emphasis of these programs upon prices. The farmer's share of the national income was to be increased through higher prices for farm produce at the farm or through benefit payments that would make up the difference between prices actually received and parity. From the consumer's point of view it was argued that "a full restoration of the farmer's share would not carry retail prices of food above the level of other retail prices, but would merely restore the normal parity."40 Although the Department's adjustment programs emphasized farmer interests, they went much further in providing direct benefit payments and in seeking to readjust the distribution of the national income. The solution of the farm problem was held to be an aid to the national economy; eventually the solution of distribution problems would be seen as the greatest aid to agriculture.

EFFORTS TOWARD IMPROVED DISTRIBUTION

We turn now to the Department's activities that approached the solution of the farm problem through improved distribution in the national economy. Resettlement, subsistence homesteads, rural rehabilitation, and farm-tenant programs—eventually to be incorporated in the Farm Security Administration—were parts of the national emergency relief program directed mainly toward a wider distribution of employment, income, and goods and services. One of the notable features of

Each advance in the technology of production enhances the difficulties of distribution and shows that one path cannot run ahead of the other indefinitely. It is time to pause, to take stock, and to see whether technology and social organization cannot somehow be harmonized. Science has done wonders in production; but unless it achieves corresponding victories in the economic and social sphere, it will find itself in a blind alley. Its technical successes will be misapplied or forgotten, and society will revert to more primitive forms. Already we get a hint of the possibility in a retrograde tendency in agriculture. Even in the United States the difficulties of distribution are producing less commercial and technically less efficient types of farming." (Chew, *The Response of Government to Agriculture* (1937), pp. 96–97.)

³⁰ A statement of this thesis is found in Mordecai Ezekiel and Louis H. Bean, *Economic Bases for the Agricultural Adjustment Act* (1933), p. 20.

⁴⁰ Ibid., pp. 31-32.

these programs was the emphasis upon home production of foods. The practice of single-crop farming meant that the farm family depended upon its cash income for the purchase of its food supply. In addition to ordinary marketing costs the distressed farm population paid excessive costs for credit, which it was obliged to utilize frequently, if not constantly. Home production would not only save part of any cash income; it would also supplement such income in terms of an improved diet

Since transportation and marketing costs are included in prices to all consumers, the resultant decreased purchasing power of the dollar has tended to reduce the consumption of farm produce. The Consumers' Counsel and the B.A.E. studied markets and transit facilities and revealed inefficiencies and waste that unnecessarily burdened distribution. We have noted that the Secretary had authority to appear before the Interstate Commerce Commission in rate questions affecting farm commodities. The Department also cooperated with state and city officials in studying and replanning produce markets. Studies were also made of retail practices and their relation to marketing costs. Many of the increased costs in marketing have arisen from the performance of new services for consumers. This thesis had previously been advanced by D. E. Montgomery, who summed it up in the following terms:

- 1. Wholesalers and retailers must earn a profit if they are to remain in business.
- 2. Their profit is derived from that little extra amount which is included in a retail price.
- 3. To get this little extra amount in the price they must appeal to consumers who have a little extra money to spend.
- 4. To get this little extra money from consumers who have it to spend, distributors must throw in with the merchandise those little extra attractions in service, convenience or style which win the consumer over.

⁴¹ See above, p. 190.

⁴²See "Rolling Fruits and Vegetables Marketwards," *Consumers' Guide*, April 11, May 9, May 23, and July, 1938; see also "Philadelphia Goes to Market," *ibid.*, October 10, 1938. ⁴³C. W. Warburton, "Extension Work in Marketing and Cooperation with State Bureaus

of Markets," Extension Service Circ. 307, April, 1939 (mimeo.).

"Looking Ahead on the Consumer Program," address before the New York State
Home Economics Association, New York, April 22, 1938 (mimeo.); see also "Consumer
Education in the Schools," address before the Southeastern Education Association, Chattanooga, Tennessee, October 22, 1938 (mimeo.).

Although this argument has much merit, it is the thesis of the special pleader. Actually chain stores, cash-and-carry stores, and supermarkets have made for a relatively efficient retailing of food supplies.

5. These added attractions impose costs which must be added in, and the little extra amount for profit must be added on top of that.
6. Thus the persistent trend toward more and more service and higher cost, and the shaping of distribution practices to the serving of consumers who have plenty to spend, and the neglect of those who have little.

7. Finally all this is rationalized by saying that consumers demand these things and that the consumers' will is the law of trade.

In terms of health and comfort and the humanitarian side of things the upshot of this logic of distribution is a tendency to neglect the needs of a very large part of the consuming public. On the economic side its outcome is a tendency to destroy the consumer function of a great part of the population, with results that are repeatedly disastrous not only to them but to everyone else. They buy not, neither do they spend.

The Consumers' Counsel, as well as the B.A.E.,⁴⁵ worked with consumers' organizations in supplying information and guidance to fortify their memberships in the market place.⁴⁶

SURPLUS DISPOSAL

The domestic consumption program, authorized by amendment to the Agricultural Adjustment Act in 1935 and administered subsequently through the Federal Surplus Commodities Corporation, sought to relieve the price-depressing effect of farm surpluses by purchasing quantities of such surplus commodities for relief distribution. During the fiscal year ending June 30, 1938, 1,000,000,000 pounds of surplus foods were purchased at a cost of \$48,400,000 and distributed to state welfare agencies. In 1938 supplies of farm produce were substantially in excess of normal

⁴⁵ "The city market of today presents for the consumers' choice a bewildering display of fruits and vegetables, many of which are in constant supply the year round, and usually at a price within the reach of the average customer. It is no longer a novelty to find many kinds of fresh fruits and vegetables on the markets during the winter months. Formerly they were available only during the local production season, but now they are shipped out of season from the production areas in which they are available.

"The present-day market with its great variety of products is largely the result of modern methods of production, handling, grading, and packing, combined with improved transportation facilities that make it possible to ship to distant markets the most perishable fruits and vegetables. There are in addition storage facilities for the less perishable crops which insure a more even distribution and a year-round supply." Department of Agriculture, A Fruit and Vegetable Buying Guide for Consumers, by R. G. Hill, Misc. Pub. No. 167, pp. 1–2. Publications of the Consumers' Counsel include Consumers' Guide, "Consumers' Bookshelf" (mimeo.), "Consumer Notes" (mimeo.), and "Consumers' Market Service" (mimeo.).

⁴⁶Guided by an overzealous advocate, such efforts may present difficult problems. Consumers' organizations are not responsible to any governmental agency; they may be controlled by special interests actually opposed to the consumers' interest; and they may develop policies in conflict with those of the department that encouraged their growth.

consumption. The invalidation of the original Agricultural Adjustment Act in 1936 deprived the Department of its major instrument for the control of farm production. The Soil Conservation and Domestic Allotment Act, subsequently enacted, had only an incidental effect upon crop acreage. Absence of effective production control continued; the Agricultural Adjustment Act, calculated to furnish that control, was passed on February 16, 1938, but this was too late for the preparation and effectuation of procedure to catch the spring plantings of that year—a year, too, of bumper crops.

The Department, confronted with this situation, turned to its surplus disposal programs. As then developed, these activities were not adequate to meet the problem. Early in June, 1938, the Secretary requested the executive committee of the F.S.C.C. to determine, in cooperation with state and local relief organizations, "the extent of the unfilled need for food and clothing among people on relief." In announcing this investiga-

tion the Secretary stated:47

Twin disasters occurring within the last few months have caused the people of the United States to adopt once more an emergency action program under the leadership of President Roosevelt.

One disaster, due to man's failure to regulate his own affairs wisely, is the shutdown or part-time operation of factories. The other disaster, due in part to the bounty of nature, is the fall in farm prices and farm income under the weight of huge surpluses.

And once more the factory shutdowns and the farm surpluses have brought to thousands of families the danger of going hungry in a land of plenty.

The results of the study were announced on July 6, 1938:48

The survey showed that welfare agencies of the States and the District of Columbia indicated an outlet for foodstuffs for distribution to 2,626,000 relief families. Expanding the buying operations of the Federal Surplus Commodities Corporation to the full extent of the commodities which they could use as indicated by the survey would call for an outlay of about \$175,000,000, whereas the total funds available for all surplus removal operations of the AAA are only about \$79,000,000. The primary commodities needed by relief families are dairy products, dried and fresh fruits, vegetables, dried beans and peas, and cereals.

On the strength of these findings it was clear that the domestic consumption program then in effect could not meet these needs, nor could

⁴⁷Department of Agriculture, press release, June 3, 1938, p. 1. ⁴⁸Ibid., July 6, 1938, p. 1.

it effectively aid farm prices. In October, 1938, therefore, the Secretary announced two plans that were being considered by the Department to alleviate the surplus problem. One applied exclusively to wheat. Export subsidies were to be offered in order to sell abroad 100,000,000 bushels of wheat. This program was quickly put into operation and proceeded against severe world competition. It provoked serious complaints from other nations that considered it an unwarranted threat to their markets. The object of the other program was to increase domestic consumption of farm products through special price concessions to relief and low-income groups.

Efforts to Increase Domestic Consumption

As a counter to proposals for foreign dumping the Department proposed efforts to increase domestic consumption through subsidies and other devices that would make farm commodities available to the underprivileged at special prices. It was pointed out that export subsidies for wheat were not inconsistent with this objective because our population was already consuming a maximum of bread and cereals. 50 Because of the emphasis upon special prices in lieu of free distribution the suggestions were reported in the press as the "two-price system." As such, the system implied, particularly to retailers, the erection of a new retail marketing service in competition with the existing structure. Actually there was no preconceived definitive plan. Studies of the agricultural needs of relief clients had revealed serious diet deficiencies and unhappy shortages of clothing, bedding, and other products of fibers. It was logical to seek to balance want with plenty. Until the spring of 1939 the special domestic consumption program comprised a number of separate subprograms. One urged the mayors of large cities to establish special distribution systems for the poor. A lead was taken from New York City.⁵¹ Mayor LaGuardia had established a chain of milk depots where the poor could show certificates of need and purchase milk at below-cost prices. The Department brought this operation to the attention of officials of other cities and urged them to adopt similar systems.

Voluntary Cooperation of Private Entrepreneurs

Another subprogram was directed toward the reduction in marketing costs when surpluses appeared in specific commodities. Here, too, the

49 An export subsidy in cotton was added later.

by Boston as well as New York.

⁵⁰ Flour and corn meal were subsequently added to the stamp plan for the benefit of those lowest-income people who needed the greatest possible food value for their dollars.

⁵¹ This service was first established by a private association in Detroit and was taken up

direction was indicated by prior efforts. In 1936 the chain stores, through a trade association—Agricultural Trade Relations, Inc.—approached some of the farmer groups in California with the suggestion of putting on special drives for disposing of surpluses. It is significant that at that time, because of political conflicts over chain stores, farmers were reluctant to have any formal relations with them. Nevertheless, special campaigns were undertaken based upon promotional efforts and shared costs. Before long the farmers began to press for additional campaigns of this sort.

In the autumn of 1938 the Department called together producers, middlemen, and retailers of grapefruit and asked them to cooperate in reducing costs to a point at which an imminent surplus could be moved. An unsuccessful appeal was also made for special freight rates to apply to the transportation of such grapefruit. The large chain stores, partly because of previous satisfactory experiences and partly because of their terror at anti-chain-store legislation, were especially amenable to the Department's suggestions and, after the grapefruit campaign, cooperated in moving other surpluses.

Efforts were not so successful to evolve, through the cooperation of retailers and bedding manufacturers, a plan for the conversion of surplus cotton into mattresses for the use of the poor. On November 11, 1938, representatives of manufacturers, wholesalers, and retailers of cotton goods met with representatives of the Department and were organized as the Joint Committee of Representatives of Business and Government. Through subcommittees and at a subsequent meeting a report was prepared; it emphasized exports, diversion, storage for national defense, promotion, prohibition of the use of secondhand materials, and relief distribution of a part of government-owned cotton through the F.S.C.C. in the form of mattresses manufactured by "regularly established private enterprises, provided appropriate steps are taken to identify the mattresses and prohibit their sale or the sale of their contents."

These plans, it should be noted, did not involve subsidies to be paid by the national government. Their essence was voluntary collaboration of large municipalities and private enterpreneurs. Two other plans were proposed, however, which were to be based upon national subsidies. One called for free midday meals in the public schools of large cities;⁵³ the other, supported by the Public Health Service, would designate re-

⁵²Department of Agriculture, press release, January 14, 1939, p. 3.
⁵⁸The N.Y.A. had been attempting to do this for high-school children from relief families, and many municipalities had taken steps in this direction.

gional areas of serious malnutrition and provide to the needy therein essential supplementary foods free or at small cost. This would extend the F.S.C.C.'s activities with emphasis on nutrition rather than on the removal of surpluses. All four plans were sallies into the field of increasing the domestic consumption of farm products. Admittedly they did not constitute a well-formulated program: "At first we had little more to go on," said the Secretary of Agriculture on March 13, 1939, "than the desire to accomplish something constructive." 54

The Food-Stamp Plan

During the search for methods of increasing consumption of grape-fruit and other surpluses many conferences were held with representatives of various distributive groups. In January, 1939, at a meeting in Chicago of the National-American Wholesale Grocers Convention a plan developed by the grocers was presented that proposed⁵⁵

the issuance of "scrip" vouchers to unemployed and those of low incomes. The vouchers would permit recipients to purchase designated food and foodstuffs at retail grocery stores at prices 50 per cent below normal.

The Federal government would make up to the grocer the difference between the amount actually charged and the normal price. The cost to the government is estimated at \$1,400,000,000 but supporters hold the program would wipe out agricultural surpluses.

The plan was submitted to the National Food and Grocery Conference Committee, composed of representatives from all divisions of the food industry from manufacturers to retailers. The Department explored this proposal and at a meeting of the Committee on March 13, 1939, announced an experimental food-stamp plan for surplus farm-produce distribution through the regular channels of trade. The plan was to be tried in a half dozen cities with populations from 50,000 up.⁵⁶ In operation the plan called for the issuance of food stamps to needy persons receiving, or certified for, public aid. Each such client would be permitted to purchase a minimum value (varying according to size of family) of one type of stamp that could be used to purchase any food

New York Times, January 25, 1939.

⁸⁴ Remarks before a meeting of the Food and Grocery Conference Committee, Washington, D. C., March 13, 1939.

⁵⁸Ernest Lindley, in the *Washington Post*, March 12, 1939, reported the proposed plan and made the statement, "At an earlier stage of the New Deal, the plan would have been launched, with fanfare, on a nation-wide scale. Instead, after a year of brain work and several months of discussions with wholesale and retail distributors, it is to be tried experimentally in about six small or medium-sized cities."

product; in addition, he would receive, gratis, another type of stamp in an amount equal to 50 per cent of the value of those he purchased, which would be redeemable for specified food commodities. In other words, the plan sought to guarantee that the free stamps would produce an increased consumption:57

The proposed plans aim directly at increasing the domestic consumption of surplus food commodities. Issuance of the stamps will create purchasing power for commodities which are surplus now not because the need for them does not exist, but because the persons who need them most cannot buy them. Records of Public Health Services and studies by the Bureau of Home Economics indicate widespread malnutrition and undernourishment, particularly on the part of children, in the homes of needy families in every state in the Union. Estimates have been made that many millions of people in the United States spend an average of \$1.00 or less a week for food. Think of it; less than 15 cents a day per person for food! Such wholly inadequate expenditures mean price depressing surpluses for farmers and diets for low-income families that are less than the minimum necessary to maintain adequate standards of health. The proposed plan is designed to raise this average to \$1.50 a week per person for those eligible to participate in the program. It is our sincere hope that this plan in operation will prove the most simple and practical method developed so far for getting an increased flow of surplus agricultural commodities into the hands of those who need them.

The plan was wholeheartedly endorsed by the National Food and Grocery Conference Committee⁵⁸ and, on April 18, 1939, it was announced that it would be tried first in Rochester, New York. On May 23, 1939, the Secretary of Agriculture stated that the stamp plan would apply at first only to food, but that at a later date "if satisfactory arrangements can be worked out with retail dry goods people, we may try the plan on cotton goods as well."59 In the same address he said, "I recognize that such measures as the stamp plan, with the government subsidizing expanded consumption, are not the most desirable, and I hope are not the ultimate, solution to the problem of making abundance work for the American people."

The food-stamp plan presented important aspects for students of public administration. It developed from efforts to meet the problems incident to the surpluses of 1938, which were exacerbated by the bounteous

⁵⁷Remarks by Secretary Wallace before a meeting of the Food and Grocery Conference

Committee, Washington, D. C., March 13, 1939.

⁵⁸ See "An Experiment in Better Nutrition," *Consumers' Guide*, April 15, 1939.

⁵⁰ Address by Secretary Wallace at a luncheon program of the Retailers' National Forum sponsored by the American Retail Federation, Washington, D. C. May 23, 1939.

yields of that year and by the absence of effective production control. It developed also from the search for a more satisfactory administration of surplus disposal than that based upon distribution through state and local welfare agencies. In the search for an improved plan the Department called upon its own research facilities and also obtained the cooperation of trade groups. It was a trade group that first proposed a stamp plan, and the Department, in refining that proposal, consulted with the Department of Commerce, the W.P.A., the Treasury Department, and the U. S. Public Health Service in that Department. The application of the plan proceeded experimentally: additional cities were added as administrative machinery and experience developed. Though a more rapid expansion of the program might be anticipated, the administrative techniques of refining a new program through experimental application were significant.

The stamp plan constituted a frontal attack upon the problems of distribution. It sought to make available to the needy some of the nation's productive capacity and, simultaneously, to bring relief to farmers from the price-depressing effects of surpluses and to improve business generally through an increase of the flow of goods through regular channels of trade. An improved diet is vital to the health of a large portion of our population; such improvement on a wide scale would mean not only an increased consumption of farm produce but a shift of a portion of the nation's consumptive capacity of particular types of foods, with a resultant shift in production.

NUTRITION

We believe that we can discern the shaping of nutrition problems into a spearhead of attack upon the farm and other economic problems. In 1939 the concept was relatively new and was still in the developmental stage. But it had the real advantage of popular appeal, which should develop support for all farm—and, perhaps, other—programs. The Department had long engaged in research in, and education about, nutrition. As far back as 1893 the Secretary of Agriculture recommended the consideration of questions of the use of agricultural produce as food for mankind. In a message to Congress President Cleveland subsequently stated, "When we consider that fully one-half of all the money earned by the wage earners of the civilized world is expended by them for food, the importance and utility of such an investigation is apparent."60

⁶⁰ Quoted in Consumers' Guide, January 2, 1939, p. 11.

From 1894 to 1914 work on diets and nutrition was undertaken by the Office of Experiment Stations, and in 1915 the States Relations Service was established with an Office of Home Economics "to investigate the relative utility and economy of agricultural products for food, clothing, and other uses in the home." Nutrition constituted the basic work of this Office, and after its establishment as the Bureau of Home Economics in 1923 it continued to do pioneer work in this field. Through bulletins, radio broadcasts, news releases, and home-demonstration agents it made its findings available to the public. It participated in a Survey of National Nutrition Policies by the League of Nations; it cooperated with the Bureau of Labor Statistics, the National Resources Committee, the Central Statistical Board, and the W.P.A. in a study of consumer purchases. ⁶²

In a circular ⁶³ prepared in November, 1933, by Hazel K. Stiebeling of the Bureau of Home Economics the yearly per capita quantities of various foods or groups of foods required for four types of diet were listed: restricted for emergency use, adequate at minimum cost, adequate at moderate cost, and liberal. Analysis of these data revealed a vital relationship between nutrition and land use. Not only would better nutrition result in an increased consumption of farm produce, but it would also mean an increased consumption of those protective foods whose production required more acreage per capita and caused less damage to the soils than cereals, grain, potatoes, and other crops that would be reduced. Better health, improved land use, increased farmer income, and security would follow better nutrition.

In 1938 the Bureau of Home Economics calculated that "if the average consumption of city families could be raised to the level of families whose diets cost less than \$165 per person per year (1936 price levels), but whose food supply was rated as first class, there would be need for 33 per cent more milk."⁶⁴ The Bureau suggested that the solution to the milk problem lay, not in the division among farmers, processors, and handlers of shares "in a too small milk can," but in an increased consumption and production of milk so that all would net greater bene-

62 Published during 1939 and 1940.

68 Department of Agriculture, Diets at Four Levels of Nutritive Content (1933), Circ.

⁶¹ Ibid.

⁶⁴ "More Milk for Millions," *Consumers' Guide*, June 6 and 20, 1938. Research of the Bureau of Home Economics revealed a correlation between total family expenditures for food and their consumption of milk. City families spending 8 cents a meal per person consumed 2.3 quarts of milk per person per week; 11 cents, 2.8 quarts; 14 cents, 3.5 quarts; 17 cents, 3.6 quarts.

fits. It may be noted, too, that increased milk production would require more acres of grasslands to replace, perhaps, acres now devoted to surplus and soil-depleting crops. In 1939 Consumers' Guide stated, "In some way or another we must have more consumption domestically if the farm-surplus problem is to be solved. To bring this about consumers must have more income, or we must find ways of stretching out their present buying power, especially for low-income groups."65

Food for the Underprivileged

Contributing to an increased consumption of farm produce were the relief programs of the national government: public works, work relief, C.C.C. activities, minimum wages and hours, social insurance, and, in the Department of Agriculture, farm security, and surplus commodities. The F.S.A. through its various programs encouraged home production of foodstuffs as a means of supplementing incomes from cash crops and of insuring a more adequate diet for its clients. This home production represented a complete short-circuiting of the lines of distribution.

In 1933 a movement got under way seeking to provide adequate food for undernourished children. The F.E.R.A. and the Federal Surplus Relief Corporation cooperated with local groups in furnishing one meal a day to school children. The national government's part in this program was taken over in 1935 by the Federal Surplus Commodities Corporation and the W.P.A. Surplus foods purchased by the F.S.C.C. were distributed by the W.P.A. through state branches, which prepared the foods for consumption. Local funds were solicited to supplement surplus foods with others to make up a balanced diet. The emphasis in this program was definitely on nutrition, but note in the following statement how its effects branched out:⁶⁶

Purpose of the plan is threefold: To build up young bodies handicapped by the economic limitations imposed on grownups; to put millions of tons of unsaleable foods within reach of people possessed of hunger but of little money; and to give work to thousands of destitute women in preparing this daily luncheon menu served to children aged from 6 to 17.

Nearly all the states participated in this program; free meals were distributed in 7,000 schools; 130,000,000 lunches had been served by Jan-

⁸⁵ "Building for Bigger Consumption," Consumers' Guide, February 27, 1939. See also Gove Hambidge, "Nutrition as a National Problem," Journal of Home Economics, June, 1939.

⁶⁸ "One Square Meal a Day," Consumers' Guide, January 30, 1939.

uary, 1939, and 15,000 W.P.A. workers were employed at that time.⁶⁷

Campaigns for Better Nutrition

At the annual convention of the Associated Grocery Manufacturers of America, Inc., in November, 1938, a proposal was submitted calling for the establishment of an institute of nutrition to be financed by grocery manufacturers and conducted under the auspices of leading universities. Charles Wesley Dunn, general counsel to the organization, presented the plan in an address and stated:⁶⁸

We have heard a lot about malnutrition in the United States, but no adequate information concerning its dietary causes or its prevalence is available. Scientists tell me also that little or nothing is known about sub-nutrition, adequate or optimo nutrition. They have assured me that when the diet for optimo nutrition is worked out the life of the average adult can be lengthened by seven years or more, and that many of the ills which now sap the efficiency and health of people in all walks of life will disappear.

Campaigns for better nutrition have by no means been restricted to the United States. In England free lunches were distributed to school children as early as 1907 after the discovery that half the army recruits failed to pass physical tests because of malnutrition in childhood. In a report of an inquiry on British agriculture in 1938, which contained a comprehensive analysis of the economic problems of farming in Great Britain, the fundamental guide for future agricultural policy was nutrition.⁶⁹

We place in the forefront of our proposals the development of a national policy of improved nutrition. This represents in our judgment the most hopeful means of reconciling the objective of maintaining a substantial and prosperous agricultural industry with wider national purposes. From a broad sociological standpoint the improve-

⁶⁷New Jersey school board voted not to accept federal help for free lunches: it was "un-American to build up the idea in children that the Government will provide." *New York Times*, November 24, 1939.

68 New York Times, November 29, 1938.

⁶⁰ British Agriculture, Report of an Enquiry organised by Viscount Astor and B. Seebohm Rowntree (1938), pp. 427–28. See a review of J. C. Drummond and Anne Wilbraham, "The Englishman's Food: Five Centuries of English Diet" in New Statesman and Nation, June 3, 1939. The reviewer, Raymond Mortimer, makes this interesting statement: "But governments and philanthropists continue to spend millions upon millions in curing diseases that are due only to faulty diet. Our fields fall out of cultivation, and our population starves. Two things are needed: first, to abolish the poverty which makes adequate nourishment unobtainable; secondly, to persuade people, when they have the means, to adopt a properly balanced diet. Perhaps the foreign threat to our safety and wealth will succeed where common humanity and sense have failed; and in order to provide enough cannon-fodder we shall at last see that at any rate young males no longer starve."

ment of the nutritional standards of the population is clearly marked out as the sphere of the next large advance in social policy. As regards education, housing, insurance against the risks of unemployment, sickness and old age, a system has been built up as the result of a long series of measures through which the efforts of individuals are supplemented by the organization and financial assistance of the State. It would be entirely appropriate, and given the maintenance of national economic progress, it would be perfectly feasible that a similar national effort should be made in the next generation to ensure that the health and vitality of the population are no longer impaired by inadequate or defective nourishment. From the agricultural standpoint an increased concentration on producing the "health-protective" food-stuffs is the most hopeful line of evolution for British farmers.

By a resolution of the Sixteenth Assembly of the League of Nations in 1935 the Mixed Committee on the Problem of Nutrition was set up. In June, 1936, it published its interim report in four volumes;⁷⁰ its final report, appearing in August, 1937, under the title *The Relation of Nutrition to Health, Agriculture and Economic Policy*, gave recognition to nutrition as a national problem:⁷¹

For nutrition policy to be effective, the problem must be recognised as one of primary national importance. During the past half century, standards of sanitation and housing have undergone remarkable changes in certain parts of the world; conditions which are to-day regarded as intolerable were fifty years ago considered normal. These standards are reflected in the greater welfare of the people. The present generation is effecting a similar change in its standards of nutrition. But the importance and future benefits of these new standards of nutrition to health and general well-being are not yet sufficiently widely recognised. It lies with Governments, supported by enlightened public opinion, to take the lead.

A recommendation in the interim report that national policies of nutrition should be guided by a central (general-staff) body bringing together the facts bearing on the problem for coordination and for economic and social action was repeated and the following statement was made:⁷²

The report proper (Volume I): the Report on the Physiological Bases of Nutrition (Volume II); Nutrition in Various Countries (Volume III); Statistics of Food Production, Consumption and Prices (Volume IV). Other international organizations concerned with problems of nutrition are: International Labour Organization, Committee on Inter-Cooperative Relations, Advisory Committee on Social Questions, Health Organisation, International Commission of Agriculture, and the General Assembly of the International Institute of Agriculture.

⁷¹ At p. 35. ⁷² *Ibid.*, p. 50.

While each country must decide on its own commercial policy, there is one principle the universal acceptance of which we would urge—namely, that adequate nutrition be one of the factors determining such policy. The advice of nutrition and social-economic experts should, in our opinion, be sought whenever a question of agricultural or commercial policy arises. The National Nutrition Committees which we have recommended would appear to provide a useful channel through which this advice might be obtained.

In the "Report of Popular Nutrition in Chile" of June, 1937,⁷³ we find this interesting statement of the relationship between nutrition and the economic and social life of a nation:

Since there is a tendency to make good the shortcomings of the diet spontaneously when the family purchasing power increases, the main condition of any improvement in popular nutrition is an increase in that purchasing power. In comparison with this, all other conditions are merely secondary, though, naturally, they retain their own importance.

To increase purchasing power, then, is the central problem, not merely of nutrition, but also of the general economic and social life of the country. The two aspects of the problem—to increase the family income and to bring wages into a proper proportion to the prices of essential foods—cannot be separated; they are inextricably intertwined in the fabric of economic life.

The Assembly of the League of Nations in 1937 invited the Council to arrange for annual meetings of national nutrition committees. A publication of the League of Nations, Survey of National Nutrition Policies, 74 contains the statements and other facts presented at the second annual meeting by representatives of sixteen nations, including the United States. 75 The diversity and extent of national nutrition activities are significant. Each of the sixteen nations represented had already made special efforts—research, free distribution, special prices—to improve nutritional standards. One program should be noted here because it applies to regular workers and involves private, not public, expense: the distribution of milk to industrial workers. 76

⁷⁴ November 30, 1938.

⁷³League of Nations, Bulletin of the Health Organisation, June, 1937, p. 328.

The United States delegate came as a representative of the Technical Committee on Food and Nutrition, which formed part of the Interdepartmental Committee to Coordinate Health and Welfare Activities, established by President Roosevelt in 1935. Various subcommittees were appointed. The subcommittee on dietary policies of public agencies included "representatives of twenty-one governmental bureaux, nine of which were in the Department of Agriculture, which was the department most concerned with nutrition." Survey of National Nutrition Policies, p. 117.

To Italian, p. 74.

The milk-in-industry scheme has also been successfully developed in the United Kingdom and, through it, industrial workers are able to have milk at work. There are stated to be now over 7,000 factories which employ nearly 2½ million workpeople participating in the scheme. Consumption is at the rate of 8½ million gallons a year, having nearly doubled in twelve months. There is said to be no adverse effect on ordinary retail sales, while the scheme has led to decreased absenteeism and better health among the workers drinking milk daily.

Nutrition and Land Use Related

Good nutrition involves not only the type and quantity of foods consumed but also the adequacy of various mineral elements and other growth substances in such foods. Much remains to be discovered about the relationships of minerals and vitamins to the needs of man, on the one hand, and to the soil sources of such elements, on the other. That such relationships exist, however, is sufficiently well established to indicate the desirability of bringing into common focus the sciences—chemistry, physiology, anatomy, pathology, physics, bacteriology, and others—that have separately contributed to the knowledge of nutrition.

E. C. Auchter of the Department of Agriculture in a discussion of this subject points out that information about the physiological needs of human beings is abundant; that agricultural scientists are recognizing nutritional studies in their own and related fields; that the problems are complex and require considerable investigation and that such efforts are justified because of their importance to our national life. He notes further that research should be coordinated; that it is the responsibility of agricultural scientists not only to further quantity production but food production of the highest nutritional quality; and that certainly such efforts would lead to a thorough study of soils "from the standpoint of their suitability or unsuitability for the production of certain foods-including the possibility of amending them, if it can and should be done, so that they will give the people who live on them not just so many pounds of food, but all the complex and subtly balanced nutrients we humans need." This better nutrition would mean a general improvement in health, and 77

It may also mean, among other things, that after thorough surveys and investigations certain soil areas may be found inefficient and undesirable for the production of food, although possibly suitable for the production of crops for certain industrial uses or for forests, parks

[&]quot;"The Interrelation of Soils and Plant, Animal and Human Nutrition," Science, May 12, 1939.

or recreational centers. It may mean that only certain crops should be grown in certain areas.

Emphasis upon nutritional quality of foods leads back, therefore, to production and land use. The same terminal point is reached if nutrition is approached from an areal basis. We have already noted the home production program of the F.S.A. with improved diets as the principal objective. The extent and nature of home production will vary from region to region and from farm to farm. On many farms food for home consumption is produced incidentally to production for sale; on many other farms food production is primarily for home consumption. Whether supplementary food should be raised for home consumption involves many questions of cost, convenience, labor, time, and need; it becomes a problem of land use. Hazel K. Stiebeling in a discussion of the relation of nutrition to farm income, home production, and land use demonstrates the interrelationships that flow from the individual farm to the economic system:⁷⁸

Farmers as producers covet as a market not only the table of city families but the table of other farm families, as well. But farmers as consumers must inquire whether the difference in efficiency of production in different areas is great enough to do more than offset the charges of transportation, processing, and other middlemen's services, and whether the economic system is stable enough that successful production of goods or services on one farm or in one part of the country is likely to enable the family to buy the products and services it does not produce but which are needed for well-rounded living.

⁷⁸ "Nutrition in Relation to Farm Income, Home-Production and Land Use," address at the Regional Extension Conference for Northeastern States, New York City, March 3,

1020 (mimeo)

Similar criteria might effectively be applied to areas larger than the farm unit. Landuse planning for communities, counties, and larger regions might properly be guided by the economic relationships between the productive capacity and the nutritional needs of populations in each of these areas. An appraisal of costs of production, nutritional quality, effects upon the land, labor, retail price, taxation, and local industry should indicate those foods that can be produced and marketed for home consumption with greater economy to the local area and that should therefore be reflected in land-use plans. This planning would necessarily involve considerations of local marketing devices that would short-circuit many of the steps involved in a marketing system geared to a national, rather than to a local or regional, economy. State departments of agriculture and marketing have been active in this type of work and may be encouraged to make valuable contributions in collaborative efforts. An excellent presentation of the interrelationships of local, regional, and national economies and the advantages of a system based upon the highest development of each may be found in A.E. (George Russell), *The National Being* (1916). The local and state land-use planning committees may find that consideration of such an approach to land-use planning would not only increase the value of their work but, by seeking the representations of interested groups other than farmers, would make the work more effective.

If a farm is really an egg factory, or fruit factory, or cotton factory, if every inch of land and every bit of labor is intensively and effectively marshalled for production, and if there is a remunerative outlet for the products, it may be that the best use of land, and of human and other resources is in the production of this one crop.

But it is important to make *sure* that this is the case. One test is to determine whether the diversion of enough labor, capital, management, and land to provide a family garden or a poultry flock, or a cow, or a pig would cut into *net cash returns* to an amount exceeding the replacement value of garden produce, or the milk, or the eggs, or the meat.

Even granting that it might cost more to produce food, for example, to keep a cow than to buy in the cheapest possible form the minimum amount of milk required for an adequate diet, we must still ask whether the more-than-minimum that might be available through home production is important enough in raising levels of living—in increasing dietary adequacy—to do more than compensate for a possible reduction in net cash income. The answer will depend of course on many factors, chiefly, perhaps, on the economic status of the family and its standards of living.

And so when the problem of land use arises—what commodities shall be produced, what sold, and what retained for family use, or what shall be produced expressly for home consumption and who shall produce them, I think that the whole family should be called together to consider a plan for action. There will be need for all the facts—the outlook for prices of commodities bought and products sold; the resources of labor, capital, and management; probable income in cash and in kind, and a comparison of these with human needs for desirable planes of living.

Nutrition has already commanded the attention of national, state, and local governments.⁷⁹ Nations all over the world have addressed themselves to the problems of undernourishment, the solution of which calls for an improvement in the distributive system whereby real needs will measure the consumption of goods and services, rather than demand within restricted purchasing power. Nutritional defects in a large portion of the nation's population support the need for an increase in quantity and a shift in type of foodstuffs consumed. A proper increase in consumption, therefore, would improve the general health of the population, reduce the farm surplus problem, and effect an adjustment in land-use practices incidentally beneficial to the soil.

⁷⁰ As a further sign of the increasing significance of nutrition in agricultural policy, we note that the Yearbook of Agriculture for 1939, entitled Food and Life, is entirely devoted to this subject.

To get such an increase in consumption, however, is a problem of distribution, and it is at that point that the inextricable relationship of agriculture with the whole national economic structure becomes so clear. One part of that structure is made up of marketing facilities wherein greater efficiency of operation, fair-trade practices, grades and standards for commodities and containers, and the reduction of trade barriers increase the amount and quality of goods the consumer can buy for his dollar and increase the returns to the producer. Thus, we are led back to production, in which adjustments for types of food and their nutritional qualities influence land utilization and rural life.

In the Department nutrition has become increasingly influential in guiding agricultural policy. Administratively the Department's activities in this field involved questions of general-staff facilities that would evaluate and advise upon the importance of nutrition in the determination of future policies; in methods of coordinating marketing and distribution, production, land use, and other programs of the Department in pursuance of such policies; and in developing collaborative efforts with other national agencies and with state and local governments.

* * *

The Department's activities in marketing and distribution have developed steadily, though for the most part fortuitously, over many years. Marketing activities embraced restricted segments of the distributive system and sought, primarily, to protect the farmer in the sale of his produce. Periodically, however, activities were added to protect the interest of the consumer in the market place, either through special consumer-protection programs or through the injection of a consumer's point of view into regular farmer programs. Assignment of consumerprotection activities to the Department was largely adventitious but they remained to form a base from which the Department could launch a frontal attack upon the wider problems of distribution. Agricultural adjustment and other farm-relief programs of current years approached the area of distribution in their efforts to provide for the farmer a larger share of the national income. It has become increasingly clear, however, that the solution of the farm problem lies in the improvement of the whole distributive system. For the whole nation the surplus problems of agriculture are but one horn of a dilemma: the other is underconsumption.

The Department has entered the distribution arena; that it can or would turn back is doubtful, but it is there confronted with complex administrative problems. Since problems of distribution are as broad as

the national economy, the Department can play only a part in their solution. But even its limited role requires not merely close intradepartmental coordination: collaboration with other departments and with other levels of government is imperative. Planning, policy formulation, priorities and organization, and other staff functions of the Department become central to the Department's participation in distribution.

CHAPTER 11

RURAL LIFE

NE FACTOR in the allocation to the Department of public responsibilities for the human aspects of agriculture is the farm family's peculiar relationship to agriculture as a productive and commercial enterprise; another is the relationship between the consumer position of the farm family and its desire and ability to produce for its own needs. Furthermore, since farm population is scattered, it is at a disadvantage as compared with town population in the use of many social services and social institutions generally. Thus, problems of food, clothing, housing, health, and schooling present special forms in rural communities and are closely related to the single economic enterprise of the production of plants and animals.

The Country Life Movement found no important reflection in the Department's activities until after Secretary Wilson's administration. A humanistic approach to agricultural problems—that, for example, of Messrs. Cooley, Butterfield, Plunkett, Galpin, Carver, and the Wallaces—came relatively late; urban problems had already challenged Robert A. Woods, Jane Addams, and other explorers of the "city wilderness." Perhaps the tradition of the pioneers had led Americans to take for granted the life of the farmer and his family as one of unavoidable hardship and denial. Perhaps, too, the more romantic picture of the life of the earlier rural communities, portrayed at its best by Whittier in his *Snow Bound*, had persuaded us too convincingly that where there was so much good, public problems could not exist. Hamlin Garland's *Main-Travelled Roads*, published in 1891, with its realistic portrayal of the lot of farm families in the Middle West, was indeed resented by many of his readers for its harsh challenge to the prevailing assumptions.

It was not an accident, therefore, that a concern for the human problems of agriculture came, for the most part, to the Department and not from it. Under Secretary Houston, as we have noted, the Department began to recognize the social, as well as the economic, aspects of agriculture and the presence of variations from the norm of the owneroccupier type of agriculture. Research in problems of the farm home and the rural community were initiated; the development of rural community organization was encouraged through units that later became the Bureau of Home Economics and the Extension Service. Studies of tenancy were undertaken under the auspices of the Office of Farm Management; when the B.A.E. was established, provision was made, as we have seen, for rural sociological research.

The Department's rural life activities greatly expanded in the thirties through the agricultural adjustment program and rural-relief efforts. They included various forms of assistance to various types of what were termed "disadvantaged rural families"; loans and grants, with farm and home plans to assist in rehabilitation; some experiments in the resettlement of farm families in communities; assisting tenants to become farm owners or to obtain a better type of lease; and some effort to enforce minimum standards or conditions for farm laborers, including migratory farm labor. The Rural Electrification Administration was placed in the Department under Reorganization Order No. 2 on July 1, 1030; its program had an important bearing upon rural life generally through its encouragement of the extension of electricity to the farm by loans and through informational services. Rural life activities were shared by the Department with other agencies, especially the Federal Security Agency,² which contained the U. S. Public Health Service, the Social Security Board, the Office of Education, and the W.P.A.; the Department of Labor, which contained the Children's Bureau, the Women's Bureau, and the Bureau of Labor Statistics; and the Department of the Interior, which in the Reclamation Service and the Indian Service had responsibilities for the well-being of special groups in agriculture. Thus, the policies of the Department of Agriculture related to rural life were only a part of those formulated by national governmental agencies, especially after 1933; all these national programs should be related to those of state and local governments having jurisdiction in an area. Both national and state expansion, the one stimulating the other, were most marked in the depression years, but the tendencies went farther back and reflected the steadily increasing interdependence of our price system and our political economy generally. The growth in the complexity of the resultant problems of administration can conveniently be traced from the earlier relative simplicity of research and informational services of 1915.

¹A press release of the Secretary of Agriculture of that date states, "As an administration within the Department of Agriculture, R.E.A. will continue to make loans for self-liquidating rural electrification projects designed to bring urban advantages to farm homes, to lighten the burden of farm drudgery, and to provide the farmer with new opportunities for efficient and economic production." See Rural Electrification on the March (1938) and The Electrified Farm of Tomorrow (1939), issued by the R.E.A.

² See above, p. 76, n. 16.

THE FARM HOME AND THE RURAL COMMUNITY

The Department reached farm families through several of its units. The program of the Bureau of Home Economics³ served this sector of the population as a research and informational center on food, clothing, and equipment. The wider significance of its nutrition studies has been emphasized in relation to farm income, home production, and land use.⁴

The Extension Service was the major channel through which the work of the Department, with that of the land-grant institutions, was brought to farm families.⁵ Its agricultural home-demonstration and 4-H Club agents in the counties, district leaders, state directors and specialists, and the staff of the Office of the Extension Service in the Department were engaged in facilitating the work of other state and national agricultural agencies and in collaborating with a network of local organizations of farmers, farm women, and rural youth. These local voluntary organizations became an important part of the institutional life of rural communities. Out of this development, which was in some respects comparable to the settlement movement in our cities,6 greater consciousness of rural social needs evolved, and programs were initiated. Although the work of the county agricultural agents was centered largely on production and marketing, at the time of this study problems of land-use planning were receiving an increased emphasis, which might stimulate some interest in wider civic aspects of local farm problems. Such a development was furthered also by the Division of Program Study and Discussion of the B.A.E., previously in the A.A.A. This section, in cooperation with state extension services, conducted conferences and institutes for extension agents and farm men and women for the discussion of problems of agriculture and of rural life generally in their national and international setting; it also organized local discussion groups both for adults and for youth.7

³See above, p. 38.

⁶We urge the reader to consult the cited studies of the county agent and of the Extension Service by Gladys Baker and Russell Lord. The Extension Service Review, a monthly house organ, is a convenient means of following current developments, and attendance upon extension conferences and Farm and Home Week meetings is helpful.

⁶A noteworthy difference was the support of extension work by public funds.

^{&#}x27;See chap. 10, above, at p. 215. See Hazel K. Stiebeling, "Nutrition in Relation to Farm Income, Home-Production, and Land Use," address presented at the Regional Extension Conference for Northeastern States, New York, March 3, 1939 (mimeo.). See also the address by Gove Hambidge, "Nutrition as a National Problem," given before the Sections on Agricultural Economics and Home Economics, Association of Southern Agricultural Workers, New Orleans, Louisiana, February 2, 1939 (mimeo.).

⁷For a discussion of the program see Gladys Baker, op, cit., and Lord, The Agrarian Revival. See also Standards of Value for Program Planning and Building, Proceedings of the School for Washington staff of the B.A.E., Washington, October 17-20, 1939.

Home-Demonstration Programs

The programs in home-demonstration work indicated most clearly the extent to which the Extension Service reflected in the local community the rural life functions of national and state agencies. Its objectives were summarized in an official report in 1938 as follows:⁸

Home Demonstration Work includes those fields of learning that are generally recognized as of primary importance to the home. It utilizes Home Economics, supplemented by other fields of education. Home Demonstration Work, as determined by needs expressed by rural people includes the following objectives:

- To develop desirable standards for home and community living.
 To understand and appreciate the function and the relationships of
- the home in the social order.
- 3. To obtain and manage an income, both money and nonmoney, which will contribute to better living.
- 4. To plan and manage both productive and leisure time to the end that energies and resources may best be conserved and utilized and the maximum of satisfaction be gained.
- 5. To promote and maintain health.
- 6. To discover, develop and utilize leadership, especially among rural women and girls.
- 7. To make such personal and family adjustments as are essential for individual and family security.
- 8. To develop civic consciousness and willingness to assume responsibility in contributing to the public welfare.
- 9. To utilize the results of scientific research in relation to rural home and family life.
- 10. To discover and utilize the opportunities and satisfactions which may be derived from rural family life.

The projects recorded in the 1937 report were in foods and nutrition, clothing, home management, house furnishings, parent education and child development, and the improvement of home grounds. "Newer trends" that were the subject of discussion included rural electrification, housing, consumer education, county agricultural planning, and "farm and home unit demonstrations" in which a unified and comprehensive plan for the farm both as a business and as a living unit was

*Department of Agriculture, Extension Service, "Report of Land-Grant College Committee Studying Home Demonstration Work," November 17, 1938 (mimeo.). See also Florence L. Hall, "Report of Home Demonstration Work, 1937," Extension Circ. 294, November, 1938 (mimeo.). Miss Hall reported that during 1937 about 2,436 homedemonstration agents were employed in the state services; about 18 per cent of the farm families were affected by the work; and 198,518 women served as volunteer local leaders.

⁹This reflected the influence of the R.E.A., later a part of the Department, and the promotion of rural electricity consumer use and equipment by the T.V.A., both of which helped also to stimulate the interest of private utilities in this potential market.

stressed. Thus, in rural communities, as in urban, the women's organizations seemed to surpass those of the men in leading to a consideration of the civic aspects of problems originating in an "interest."

The 4-H Clubs

The 4-H Clubs, sponsored by the extension program, brought boys and girls within the network of rural institutions that were developed after 1915.¹⁰ Later another organization recruited from rural youth developed in the agricultural vocational courses in high schools, "The Future Farmers of America." Thus, both the Extension Service of the Department of Agriculture and the Office of Education, formerly of the Department of the Interior and after 1939 of the Federal Security Agency, were national sponsors for youth organizations in the rural areas.¹¹ The 4-H Club members participated in projects in agriculture and domestic science under the guidance of voluntary leaders in the community, with whom the county 4-H Club agents (or a district agent or the county agricultural or home-demonstration agent) cooperated.¹² Thus, the Department participated in an important program of civic and vocational education and recreation for rural youth. This work—and that of the vocational agriculture and home economics courses in the

¹⁰See Department of Agriculture, Boys' and Girls' 4-H Club Work, Misc. Circ. No. 77 (1935), and Organization of 4-H Club Work, Misc. Pub. No. 320 (1938). Note the work of the 4-H Club Studies Committee of the Extension Service and reports to the Association of Land Grant Colleges and Universities of the Older Rural Youth Committee and the Land Grant College Committee studying home-demonstration work. The Extension Service issues current reports (mimeo.) on various phases of extension work generally and programs and other materials on the annual national 4-H Club Camp in Washington. See "Function of Committee on 4-H Studies," "4-H Club and Older Youth Research," "Statistical Analysis of Negro 4-H Club Work," "An Anniversary Year Summary of Former 4-H Club Members Attending College," "Contributions of 4-H Club Work to Good Family Living." The American Youth Commission of the American Council on Education (744 Jackson Place, Washington, D. C.) issued several mimeographed bulletins based on its studies of the problems of rural youth; we have consulted the following (issued in 1938–39): by E. L. Kirkpatrick, "Status of Research Pertaining to Situations and Problems Among Rural Young People," "Recent Surveys Pertaining to Rural Youth," "Short Courses in Colleges of Agriculture"; by Agnes M. Boynton and E. L. Kirkpatrick, "Agricultural Extension Work with Older Rural Youth," "Vocational Training for Older Rural Youth ramed "Rural Youth in Farm Organization and Other National Agency Programs."

There were approximately 1,150,000 4-H Club members and 150,000 members of the Puture Farmers. The two organizations are usefully discussed in relation to rural education generally in *Report of the President's Advisory Committee on Education*, February, 1938, pp. 144-57; the problem of coordinating these efforts is presented on pp. 76 and 188. The Office of Education issued mimeographed reports on its regional con-

ferences on agriculture at which the rural program was discussed.

¹²There were, on July 1, 1938, 350 county club agents, 1,860 home-demonstration agents and 2,950 agricultural agents. See *Report of the Committee on Older Rural Youth*, 1938.

rural high schools—was particularly significant because the farm family lived in the midst of its occupation and was an economic unit, because it had more children, and because with a decreasing proportion of vocational openings in farming, rural youth moved into urban employments so far as they were available.¹³

The problem of unifying the rural educational activities influenced by the national government was the subject of comment by the President's Advisory Committee on Education. The Committee stated:¹⁴

The most conspicuous weakness in the provision for agricultural education results from an unsatisfactory relationship to the work of the Cooperative Agricultural Extension Service. While there appears to be full cooperation between local teachers of agriculture and extension workers in many areas, relationships at the State level are unsatisfactory in a number of States, and the respective groups of Federal officials appear to have little cooperative contact with each other. Their relationships up to the present have been concerned mainly with delimiting their respective jurisdictions rather than with developing fields of possible cooperation. The Committee is not prepared to assign responsibility for this situation to either group of Federal officials, but believes that each should make a greater effort to cooperate with the other.

The program of agricultural education fails to reach a majority of those who need such service. Provisions of the Federal statutes and activities of the Federal officials both appear conducive to a type of instruction that is expensive and not easily adapted to the conditions of small rural high schools. Some of the States have developed simpler and less expensive programs that can be adapted to the schools in which a majority of the rural high school pupils are enrolled, but these programs are not eligible for Federal aid.

¹⁸ See the abstract of a radio talk by Floyd Reeves, Director of the American Youth Commission, "Rural Youth Faced with Special Problems," Bulletin of the Commission, July, 1939. He states, "The rural parts of the country have been carrying heavy responsibilities for the care and education of our youth, many of whom later migrated to the cities. In 1930, rural areas contained fully half of the nation's children of school age (5–17), and the proportion is undoubtedly higher now. It is estimated that of farm boys and girls who were 10 to 20 years old in 1920, approximately 40 per cent had left the farm by 1930. Since 1930 this migration has continued, yet there remain in farming sections many thousands of young people who would like to seek greater economic and cultural opportunities in urban centers. It is probable that in the years ahead from chird to one-half the rural young people will migrate to the cities in quest of wider opportunities. . . The staff of the American Youth Commission has found that in the rural areas where the birth rate is the greatest the education and recreation opportunities are the poorest. In other words, the nation's future population in general is coming from the under-privileged groups where proportionately the educational facilities should be the greatest, not the least. Likewise, health services are much more inadequate in the rural communities than in urban. And job opportunities—the great need for youth everywhere—are fewer for rural than urban youth, limited though they are for the latter."

¹⁴ See Report of the President's Advisory Committee on Education, p. 76.

EXPANSION OF SOCIAL RESEARCH IN AGRICULTURE

In 1925 the Purnell Act 15 provided for grants to the agricultural experiment stations broadening the scope of their work to include research in agricultural economics and rural sociology. On the passage of the Act, the Social Science Research Council established a temporary committee to suggest ways of facilitating research in agricultural economics. Following the committee's report, a continuing Advisory Committee on Social and Economic Research in Agriculture was made a part of the Council's regular committee system. "The original committee was composed wholly of agricultural economists. Representation was first given to sociology in 1927 and has since been increased. In 1931, representatives of forest economics were added." A series of bulletins, edited by John D. Black, was issued suggesting "Scope and Method" for various types of social and economic research in agriculture which the Committee believed needed emphasis, the opportunity for the prosecution of which was presented by the Purnell Act. 16

The financing made available by the Act and the development of a program of research in the social aspects of agriculture by the B.A.E. led to a demand for personnel in these fields both by the Department and by the land-grant institutions. So great was the demand that there was fear lest this work be jeopardized by the appointment of people to responsible positions before they had received adequate training. In 1929, therefore, the Social Science Research Council acted favorably upon the proposal of its Advisory Committee on Social and Economic Research in Agriculture to establish research fellowships in agricultural economics and rural sociology over a period of five years to enable people working in these fields to finance additional research training.

The previous indifference of many of the colleges of agriculture to the economic and social aspects of their subject had limited the opportunities for training in these subjects. When the experiment stations were stimulated by the availability of Purnell Act funds to develop work in this field, the shortage of competent personnel was critical. Thus,

¹⁶ See Social Science Research Council, Decennial Report, 1923-1933 (1934), pp. 26-30, and also its subsequent annual reports. The members of the Advisory Committee and of its subcommittees on Special Graduate Training in Agricultural Economics and Rural Sociology and on Rural Social Case Work are listed on p. 26. Among the topics treated in the research bulletins were Public Finance in Relation to Agriculture, Agricultural Land Utilization, Rural Population, Rural Social Work, Agricultural Income, Marketing of Farm Products, Farm Labor, and Agricultural Land Tenure. Committee and subcommittee members were drawn from administration, research institutes, and college and university staffs.

the Advisory Committee reported to the Council that in 1926–27, of 288 persons reported by the experiment stations as engaged upon research projects in the social sciences only 41 had obtained doctorates and a considerable number did not possess even a bachelor's degree. In 1929 the Federal Farm Board recruited agricultural economists from the colleges and universities into government service; other men trained in these fields were being engaged by agricultural and commercial organizations.

The Council's program was administered by the Committee on Research Fellowships in Agricultural Economics and Rural Sociology, of which Edwin Nourse was chairman. Among the universities to which the fellowship holders chiefly elected to go for further studies were Harvard, Cornell, Wisconsin, Minnesota, Columbia, Chicago, and California. Many of the fellows subsequently occupied responsible positions in the Department of Agriculture and in the land-grant institutions. 17 In the Committee's final report most of the deans of the colleges of agriculture were recorded as being skeptical of the continuance of the then activities of the national government related to social aspects of agriculture and of future increased employment opportunities in this field. One or two expressed the belief, however, that in the future there would be a greater need in the fields of extension and agricultural publicity for workers who had received some training in the social sciences; there was general notice that those who had been trained in social research in agriculture had proved an important source for recruiting the personnel of the emergency administrative agencies. There was agreement that the expenditure of \$150,000 over the five-year period had been an excellent investment for the country in providing better-trained men for these administrative and teaching posts.

This assistance to the training of agricultural economists and rural sociologists was most timely, despite the cuts in appropriations for the Division of Farm Population and Rural Life of the B.A.E. in the first year of the New Deal. The A.A.A. increased the demand for agricultural economists. The New Deal relief policies created research opportunities for rural sociologists through the recognition of relief problems peculiar to rural people and through efforts to find relief work for white-collar unemployed under the guidance of experienced directors. Re-

¹⁷An account of the origin and first year of this program is presented in E. G. Nourse, "The First Year Awards of Graduate Fellowships in Agricultural Economics and Rural Sociology," *Journal of Farm Economics*, July, 1928, pp. 277–85. Further details of this program have been obtained from mimeographed material in the files of the Social Science Research Council, including "Final Report of the Committee on Fellowships in Agricultural Economics and Rural Sociology," September, 1934 (mimeo.).

search in rural problems was a type of employment that could be directed by rural sociologists in land-grant institutions as a part of a national program. Thus, use could be made of the data on population, standards of living, and other items of importance made available by the relief records. The subsequent rural research program of the W.P.A. and of the F.S.A. in cooperation with the Division of Farm Population and Rural Life of the B.A.E. (which received additional funds from the F.S.A.) developed from this situation.¹⁸

The "Plan for Cooperative Rural Research" has been described in an official statement as follows: 19

The preliminary steps in the development of the Plan for Cooperative Rural Research were taken almost immediately after the organization of the Federal Emergency Relief Administration in order to meet the pressing demand for data concerning relief needs in rural areas. In August 1933, E. L. Kirkpatrick of the Wisconsin Agricultural Experiment Station joined the staff of the Federal Emergency Relief Administration as Rural Relief Advisor. He was responsible for bringing an initial group of rural sociologists to Washington to carry on research essential to the administration of the relief program and designed to portray the rural situation. Arrangements were quickly worked out for the appointment of a number of temporary State supervisors, usually well-trained rural sociologists and economists at the State college of agriculture, to handle the field staffs for rural surveys originating in the Washington office. The first consideration in selecting States to include in the early surveys was roughly to scatter the sample areas over representative parts of the United States, taking into account the principal type-of-farming areas.

Much of the cooperative research during the latter part of 1933 and early 1934 was carried on in connection with the short-lived Civil Works Administration. Then, in July 1934, as a result of the proposed expansion of rural research a special Rural Section was organized within the Division of Research and Statistics of the F.E.R.A., and Dwight Sanderson of the Department of Rural Social Organization, Cornell University, became the first Coordinator of Rural Research.

The mutual advantages to be derived from definitely tying up the rural research of the F.E.R.A. with the rural sociologists in the agricultural experiment stations was becoming increasingly evident. Only through considerable decentralization with heavy reliance on local knowledge of conditions could large-scale rural surveys be most

¹⁸ See Carl C. Taylor, "The Work of the Division of Farm Population and Rural Life," Rural Sociology, June, 1939, pp. 221-28.

¹⁹S. H. Hobbs, Irene Link, and Ellen Winston, "Plan for Cooperative Rural Research," W.P.A., Series II, No. 17 (1938) (mimeo.), pp. 6-8.

satisfactory. Hence, in August 1934 formal cooperation in research on problems related to rural relief was offered to a group of about 20 States with which informal arrangements had already proved effective. The number of States rose almost immediately, however, as the advantages to be derived from the cooperative arrangement became evident. At the close of the year Dr. Sanderson returned to Cornell University. For the next few months, T. C. McCormick, who was already a member of the staff, served as acting coordinator until J. H. Kolb of the University of Wisconsin took over the work in March 1935. In the fall of 1935 Dr. Kolb returned to Wisconsin, and T. J. Woofter, Jr., of the University of North Carolina became Coordinator of Rural Research.

This program followed most successfully the practice of joint collaboration of the national government and state governments, and it was most productive in stimulating both local research and the publication of research monographs and special reports by the W.P.A.²⁰ Forty-one states cooperated in this undertaking.

DISADVANTAGED RURAL CLASSES

Rural Relief

The rural-relief problem was at once a part of the larger tragedy of the depression and at the same time one with its own characteristics. In both city and country communities local public resources were too limited to finance relief needs, and the national government assisted with various programs. The question was not that alone of taxation and borrowing; the fact that our economic system had become a national, and a part of an international, political economy made recourse to the national government necessary if meliorative and reconstructive efforts were to have any hope of success in stimulating the functioning of a system in which employment would be available.

In general, the "Recovery Program" of the Roosevelt Administration was based upon this conception, and agriculture was only a part of the larger national economy envisaged in its program. The decline in industrial employment was a severe blow to rural areas not only for the depress-

²⁰The following sample of titles of research monographs and special reports will convey the nature of this research. A subject bibliography of the state bulletins is given in the report by Hobbs, Link, and Winston, op. cit., pp. 38–56. Research Monographs: I. Six Rural Problem Areas, Relief—Resources—Rehabilitation; II. Comparative Study of Rural Relief and Non-Relief Households; V. Landlord and Tenant on the Cotton Plantation; VIII. Farmers on Relief and Rehabilitation; IX. Part-Time Farming in the Southeast; XI. Rural Youth on Relief; XIII. Effects of the Works Program on Rural Relief; XIV. Changing Aspects of Rural Relief; XV. Rural Youth: Their Situation and Prospects; XVI. Farming Hazards in the Drought Area; XVII. Rural Families on Relief. Special Reports: Areas of Intense Drought Distress, 1930–1936; Five Years of Rural Relief.

ing effect on their markets, but even more for the shutting off of opportunities for the employment of surplus farm population. The higher birth rate of the rural areas and the relative decline in agricultural employment as compared to employment in other pursuits accounted for the stream of rural people flowing to the industrial centers. With the depression not only was this channel blocked, but also a backflow resulted throwing increased numbers on relief in rural communities. The shutting off of money remittances from former rural folk employed in industry to their relatives back home was also a blow.

Features Peculiar to Rural Relief

Some features of the relief situation were peculiar to rural areas. Unusually costly natural catastrophes occurred during the depression, catastrophes in part caused or exacerbated by our long-time inadequacy in natural resources policies, such as floods and dust storms. Thus, particular areas suffered not only from the economic derangements generally characteristic of the depression, but also from the temporary or permanent loss of their base of operations. In some areas this factor was of relatively long standing and the situation was beyond repair. The problems of the Great Plains and of the Great Valley bottoms, as of the Lake States Cutover Area and of much of the Old South, were therefore peculiarly difficult.

Rural relief was also an especially difficult problem because the nation was not prepared for its diagnosis and treatment. An official told of preparing a bulletin in his earlier years in the Department in which he referred to the subject of tenantry. The then Secretary of Agriculture struck the term out, because he did not desire to have the Department give official recognition to it or to the situation that it implied. In a textbook in rural sociology—one of the earliest—the author well conveyed earlier attitudes on certain rural problems which subsequently came to the fore:²¹

The status of being a land tenant in America is as yet one stage in the slow procedure of acquiring private property in agricultural land, where land inheritance does not normally obtain. Rural tenant and landlord, the personages figuring in the economic institutions of a land tenantry, create a decided social situation, the aspects of which, however, become acute and problematical only when a community

²¹C. J. Galpin, Rural Life (New York: D. Appleton-Century Company, 1918), pp. 25, 26. See also pp. 119–21 for a reference to child labor on the farm. A discussion that may be cited to show later changes in attitudes is that by Carl C. Taylor, Helen W. Wheeler, and E. L. Kirkpatrick, Disadvantaged Classes in American Agriculture, Social Research Report No. VIII of the F.S.A. and the B.A.E. (April, 1938).

as a whole is characterized by tenantry as a substitute for land ownership by the landworker. Here we strike an example of social pathology, which will require its own treatment.

The only reference in this text to labor was to child labor on the farm; it was pointed out that the conditions surrounding child labor there were better than those affecting child labor in the city. M. L. Wilson has remarked:²²

Before the great depression most of you, however, like me myself, thought of rural poverty either in terms of the county poor farm or of the shiftless people who lived across the tracks. Those of us in agricultural colleges and experiment stations who sought to work out systems of farming which would yield satisfactory farm incomes did not bother much about people whose circumstances were such that they could not get into the good income group. Thus, in most cases, agricultural institutions of research and education were practically unaware of the extent and nature of poverty in rural areas.

Although substantial advances have been made in rural sociology, research and the formulation of practical programs for rural social problems have lagged behind work on urban problems. No body of experienced administrators existed in the field of rural social work comparable to those in urban organizations. The implications of a land-use approach for various types of rural social organization had not been developed; research in governmental aspects had largely been confined to historical aspects of law, or to structure, within the framework of the traditional conception of the owner-occupier of the farm; and the few examples that there were of cooperative or collective rural communities were generally associated with some form of religious or philosophical aberration. Ideas of regional planning were to be found chiefly among urban dwellers whose interest had originally been stimulated by city planning.

²² "Problem of Poverty in Agriculture," *Journal of Farm Economics*, February, 1940, p. 10. This address (with the discussion of it which is printed after it) includes a survey of the problem and of attitudes and social philosophies about it and proposals for research and action. See also James G. Maddox (of the F.S.A.), "Suggestions for a National Program of Rural Rehabilitation and Relief," *Journal of Farm Economics*, November, 1939, p. 881. He remarks, "The simple fact that rural poverty existed in this country was never openly recognized by our government until approximately five years ago. Public recognition of the fact has come still more slowly. The idea of poverty has been traditionally associated with city slums and the great mass of immigrants who came to this country during the last quarter of the last century. On the other hand, the 'barefoot boy with cheeks of tan' has been a symbol of rural life. He was a healthy little cuss; well supplied with vigor and vitamines; and though his clothes were not decorous, they were always warm and sturdy, and characterized by a rustic simplicity which appealed to our esthetic taste. . . ." This picture is another example of Joseph Davis' "agricultural fundamentalism."

Rural Values Challenged by Relief

The deeply rooted ideas and values of rural folk were challenged, too, by the relief problems of the depression. While the farm economy had become more commercial with the years and thus sustained the shocks conveyed throughout so sensitive a system, traditional attitudes did not easily yield. Some day, thought the dweller in the arid lands, there would be a "normal rainfall" and he would get a "normal crop"; the American tradition of marching westward, of the filling up of the country, would take care of the situation. In the country it was easier to measure neighbors in terms of the appearance of farms and buildings and to know the details of family life. The impersonal forces of price, of market and exchange were translated into personal terms. The aged could find a place by the fireside, and there was always the poorhouse. A proliferation of agencies and terms for dealing with special categorical relief groups, talk of shifting from arable crops to grazing and of landuse zoning were challenging and alarming. Any and every effort to raise the prices of farm commodities would be better understood than efforts that touched the traditional land and farm-management practices, the organization of local government, and the ways of life generally. And below the articulate groups were many rural people whose views were rarely known and who in some regions were largely voteless.

Agencies and Personnel Administering Rural Relief

It is against this general background that the extension in the thirties of the Department's rural life activities must be viewed. They were launched at a time of great need for immediate relief, before adequate recognition of, and research on, rural social problems had flowered and when there was no reservoir on which to draw of administrators trained in rural social problems, as contrasted to the natural sciences or home economics. The staffs of the extension services and of vocational agricultural schools were the nearest in background and experience to the type of personnel required for line activities, and they were already being raided for other expanding agencies. Many of those participating in the programs growing out of the rural-relief situation were not from the land-grant institutions and were unfamiliar with the attitudes and procedures developed there; they were challenging some of the accepted attitudes noted above and were at the same time subject to the accusation that they were by-passing the older organizations.

We record these facts that have contributed to the criticism leveled against the programs that we will shortly describe because they offer,

we believe, valuable evidence of the importance of research and planning, which had been neglected by all institutions of government and higher education in the country. The uncertainty and confusion in this field extended not only to methods and procedure but to basic objectives; agencies that should have kept pressing long-time considerations of regional readjustment, for example, bogged down into immediate relief activities which, unless most carefully guarded, might entrench existing maladjustments. Most seriously of all, the bank and capital of good will and consent upon which a government activity is dependent had heavy drafts made upon it in many regions; in rural areas, as we have noted, this situation was most serious because it was interpreted in personal terms. Distrust engendered by one incompetent official, or one too obviously qualified by service to a party official, spread rapidly to the whole program. The social problems of our rural population are so serious that such distrust, in their continuance, will have costly consequences.

It has been too easy to blame the early agencies—almost makeshift—for all these troubles and to forget the responsibility of local and state governments and of the institutions to which we have referred. Few local communities had studied their problems or were prepared with plans and agencies for hard times or were willing to face their problems and make the needed readjustments. Too many were willing to use every form of pressure for more outright subsidy and at the same time they rejected any responsibility for unpopular measures of land-use and governmental readjustment. On the whole, cities with a tradition of city planning and a competent civil service best utilized the various New Deal programs to make substantial advances in their public works programs, because they were ready with surveys and plans to utilize the national grants in putting the unemployed to work at projects that added to local resources.

When the emergency relief programs were developing in 1933, relief to farmers was a challenging problem.²³ In several states a policy

[&]quot;Rural Relief and Recovery," W.P.A., Social Problems, No. 3 (1939). Studies of the administration of the W.P.A. have been made by the Committee on Public Administration of the Social Science Research Council, and the relief origins of the F.S.A. are included in these studies. A volume based upon these studies is in preparation by Arthur Macmahon of Columbia University. The Division of Information issued a list of publications descriptive of the work of the F.S.A. Note especially leaflets, "Helping the Farmer Help Himself"; "The Rehabilitation Program"; "Helping the Farmer Adjust his Debts"; "Farm Security"; etc. The remarkable public reporting by the F.S.A. through its films ("The Plow that Broke the Plains" and "The River") and its photographic work are described by Edward Steichen in U. S. Camera Annual (1939), pp. 43–45.

evolved whereby substantial loans were made to farmers on relief so that they could purchase tools, seeds, and livestock in order to become self-supporting. Other farmers who were located on farms incapable of supporting their families were aided in resettling on farms with better land or of a more appropriate size, so that they could "make a crop." Some who were on farms submarginal from the point of view of supporting farm families received payments wherewith to make a new start from the sale of their farms to a governmental agency, which assigned the land to a more appropriate use. The policy of retiring such farms from agriculture had been, as we have seen, increasingly urged by the relatively small group of those who had become interested in land-use policies in the postwar period. The developing programs of the A.A.A., with their emphasis on the retirement of submarginal land from production, contributed to this policy.24 Another part of the emergency relief program was assistance to farmers and their creditors in the readjustment of farm debts to a basis that could be met by the farmer and that would guarantee some return to the creditor. This program was administered through the new F.C.A., whereas the program of loans, and also of grants, was administered through relief agencies. Repayment of the grants was made by work on road-building, forestry, and similar activities that added to the capital value of the resources of the community.

Another agency, established in 1933 under provisions of the National Industrial Recovery Act, was the Division of Subsistence Homesteads in the Department of the Interior, headed by M. L. Wilson upon his early retirement from the A.A.A. Here was developed a program for aiding the establishment of farm communities accessible to industrial or mining employment suitable for part-time or subsistence farming. In certain areas in which there was a stranded population, such as lumber towns and mining towns, where the raw materials had been exhausted or were too inaccessible, and where the entire population was on relief, it was hoped to encourage at least partial self-support by the development of subsistence farming.²⁵ We have noted that the problem of readjustment in agriculture was particularly acute in the Great Plains, where land settlement and land-use policies reflected the ignorance of Americans and immigrants of the nature of the area and the use to

²⁴See Wendell Lund, "Bought Out by the Government," *Land Policy Review*, May-June, 1939, pp. 22–30.

special treatment by the national government through a new agency under a Commissioner for Special Areas.

which it could be put. In the South, in the Lake States Cutover Area, and in other regions great problems of adjustment of population to resources had developed. Urban industrial employment was no longer available for cushioning the shock of these adjustments.

Rehabilitation

On April 30, 1935, the Resettlement Administration was established with Rexford Tugwell, Assistant Secretary (later Under Secretary) of Agriculture, as Administrator. The Resettlement Administration was assigned the activities to which we have referred above and was financed from relief appropriations. A Resettlement Division took over the administration of about one hundred and fifty projects inherited from various agencies, chiefly the Subsistence Homesteads Division of the Department of the Interior and the projects instituted by relief agencies. A Division of Land Utilization²⁶ was charged with the purchase of submarginal land and its reconversion to more appropriate uses and the employment of the people thus affected on forestry, construction of dams, roads, and similar tasks of employment.

A Rehabilitation Division drew its functions from the relief agencies and from the F.C.A. It continued the work of farm-debt adjustment and administered loans and grants to farmers with the view of enabling them to become self-supporting. These loans were accompanied by a system of guidance of the farmer through farm-management plans and household budgeting administered through the county office of the Resettlement Administration. Assistance was also given to cooperative and community services through loans for equipment the use of which would be shared. Cooperation with local medical societies also made possible the development of group health programs.

This was a time of great confusion, with so many new organizations and activities in the national government, and the new agency was born into this atmosphere. The sharp political conflicts developing out of the campaign of 1936 brought Under Secretary Tugwell under fire because of his reputed influence as an adviser to the President.²⁷ Consequently, the

²⁰Subsequently transferred first to the B.A.E. and later to the Soil Conservation Service.
²⁷We mention this general criticism, as distinguished from the criticism leveled against him as head of an operating agency (the Resettlement Administration) to underline the fact that as an adviser to the President in what we term a general-staff capacity he was associated with responsibility for various policies of the Roosevelt Administration on fronts other than agriculture. His position was anomolous, partly because there was no provision either for nonpolitical general-staff assistants attached to the Executive Office of the President (later made possible through the creation of posts of Administrative Assistants in that Office) nor had there been thought through the political implications of the highest directive posts in the executive agencies. At that time, the Resettlement Administration was in theory

new agency was subjected to an unusually severe scrutiny; administrative difficulties were dramatized that were incident to the putting together of formerly scattered agencies and inherent in a task involving cooperation with many other agencies of the national government and with local agencies all over the United States. Thus, certain activities of the Resettlement Administration received a distorted emphasis. The annual report, for example, was criticized in the Senate because of its elaborate presentation of the Administration's work. The Greenbelt towns, which were suburban "satellite" communities constructed by the Resettlement Administration, were also objects of attack. These criticisms tended to conceal the fact that the bulk of the work done by the Resettlement Administration was in the field of rehabilitation.

The Farm Security Administration

On December 31, 1936, the Resettlement Administration was transferred to the Department of Agriculture, and on September 11, 1937, it was renamed the Farm Security Administration. In 1939 its activities fell within three major functions: rehabilitation, homestead projects, and farm purchase for tenants—a program allocated to it by the Secretary of Agriculture following the passage of the Bankhead-Jones Act.²⁸ Under this Act loans for a forty-year period with annual payments of 4.3 per cent, including interest and amortization, were made available to selected tenants to enable them to purchase farms. The program was administered through county committees of farmers. The apportionment of available funds to states was based upon the extent of rural population and of tenancy. Supplementing this program was one that aimed at the improvement of leasing arrangements for tenants.29

The rehabilitation program included the standard loan accompanying a farm-and-home plan worked out with the county rehabilitation super-

²⁸ See Law and Contemporary Problems, October, 1937, entire issue devoted to farm tenancy; see also, Henry C. Taylor, "What Should be Done About Farm Tenancy," Journal of Farm Economics, February, 1938. Farm-tenancy legislation administered by the F.S.A. reflected the important Report of the President's Committee on Farm Tenancy (1937). A useful summary is provided in H. C. Larsen, "Tenant Purchase Program,"

Agricultural Finance Review, November, 1939, pp. 35-43.

20 See "The Flexible Farm Lease" (pamphlet issued by the F.S.A.); John Baker, "A New Lease for a New South," Land Policy Review, July-August, 1938, pp. 7-10; L. C. Gray, "Improving Our Land Tenure Systems" (mimeo., B.A.E.).

a separate agency, although its head was the Under Secretary of Agriculture, and thus it was in what might be termed a "personal union." The criticism leveled at Mr. Tugwell for his presumed general political views inevitably was a factor affecting attitudes concerning the Resettlement Administration, which was also, of course, the subject of attack for its own actions and policies.

visor and the home-management supervisor.30 There were approximately two thousand county offices, over which were the district offices with a district supervisor, and the state offices with a state director and an associate director of home management. The program was coordinated through the state office with the state, land-grant, and other agencies. There were twelve regions, each under a regional director and each with staffs including legal and financial managers and advisers in farm management, home management, business management, labor relations, personnel, and information. An engineer was also assigned to each region. The extent of the rehabilitation program may be estimated from the fact that up to January 1, 1939, loans had been made to 650,000 farm families, totaling \$232,410,369. Of this amount about \$72,000,000 had already been repaid. In addition, grants totaling \$23,000,000 had been made to 250,000 families. These grants were designed to meet emergency situations caused by droughts, floods, and similar catastrophes. Both loans and grants were financed from relief appropriations.³¹

Significance of Rehabilitation Activities

These activities of the F.S.A. were clearly a new and significant development in the Department. They stimulated and supported further research of the B.A.E. in this field; an important series of social research reports was issued through the collaboration of the two agencies.³²

³⁰ Appropriate consideration is given to acreage allotments and benefit payments made by the Agricultural Adjustment Administration; to land use recommendations of the Bureau of Agricultural Economics; to cropping and erosion-control practices recommended by the Soil Conservation Service; and to technical services available from the Extension Service, the experiment stations, and the vocational agricultural and home economics departments of local schools." Report of the Administrator of the Farm Security Administration (1938), p. 3.

and A most interesting and suggestive parallel to these activities of the F.S.A. is found in the Prairie Farm Rehabilitation Program in Canada in the arid region of the plains. There is a striking similarity between the causes of agricultural distress and the programs developed to deal with the situation there and in the American Great Plains. See Report on Rural Relief, 1930–1937 (Ottawa, Canada, 1939); "Report on Proceedings Under the Prairie Farm Rehabilitation Act for the Fiscal Year Ending March 31, 1938" (mimeo.); and "The Drought Area Defined," address by George Spence, Director of Rehabilitation

(mimeo.).

These reports include: John B. Holt, An Analysis of Methods and Criteria Used in Selecting Families for Colonization Projects; Erich Kraemer, Tenure of New Agricultural Holdings in Several European Countries; L. S. Dodson, Living Conditions and Population Migration in Four Appalachian Counties; E. A. Schuler, Social Status and Farm Tenure—Attitudes and Social Conditions of Corn Belt and Cotton Belt Farmers; Marie Jasny, Family Selection on a Federal Reclamation Project—Tule Lake Division of the Klamath Irrigation Project, Oregon-California; Karl Shafer, A Basis for Social Planning in Coffee County, Alabama; A. D. Edwards, Influence of Drought and Depression on a Rural Community—a Case Study in Haskell County, Kansas; Carl C. Taylor, Helen W. Wheeler, and E. L. Kirkpatrick, Disadvantaged Classes in American Agriculture; E. L. Kirkpatrick, Analysis of 70,000 Rural Rehabilitation Families; C. P. Loomis and L. S. Dodson, Standards of

The Department's earlier publications in this field had been strikingly different in nature: Rural Planning, Arbor Day, Rural Libraries, Rural Community Fire Departments, Hospitals for Rural Communities, Community Buildings for Farm Families, and The Rural Church and Cooperative Extension Work. The later researches, it will be noted, reflected a recognition of the existence of disadvantaged rural classes.³³ Research in rural sociology, which remained the responsibility of the Division of Farm Population and Rural Life of the B.A.E., became of greater importance to the Department because of the operating programs of the F.S.A. The problem remained of integrating the research of the F.S.A. with that of the Bureau of Home Economics and with the rural unit of the Division of Social Research of the W.P.A., as well as with the land-grant and other interested institutions.³⁴ It was basically a problem of priorities and personnel.

The rehabilitation program had several points of interest to students of administration. We have referred to the long-time problems—not common to this program alone—of the adjustment of national systems treating special categories to the needs and resources of a local community as a whole. Obviously no rural community in the current stage of our economy could provide comparable special services to such disadvantaged farm families. Nor could the readjustment of families in terms of land use be made without the coordination of the efforts of all levels of government. In certain major problem areas, such as the Great Plains, the Lake States Cutover Area, and the cotton belt, a

³⁸L. C. Gray, "Disadvantaged Rural Classes," Journal of Farm Economics, February, 1938. See also Taylor, Wheeler, and Kirkpatrick, op. cit.

Living in Four Southern Appalachian Mountain Counties; C. P. Loomis and Dwight M. Davidson, Jr., Standards of Living of the Residents of Seven Rural Resettlement Communities; W. F. Kumlien, C. P. Loomis, et al., The Standard of Living of Farm and Village Families in Six South Dakota Counties, 1935; C. P. Loomis, Joseph J. Lister, and Dwight M. Davidson, Jr., Standards of Living in the Great Lakes Cut-Over Area; C. P. Loomis and O. E. Leonard, Standards of Living in an Indian-Mexican Village and on a Reclamation Project; C. P. Loomis and B. L. Hummel, Standards of Living in Six Virginia Counties; L. S. Dodson, Social Relationships and Institutions in an Established Rurban Community, South Holland, Illinois; Conrad Taeuber and C. E. Lively, Migration and Mobility of Rural Population in the United States; C. P. Loomis, Social Relationships and Institutions in Seven New Rural Communities. Note also Farm Population and Rural Life Activities, quarterly publication of the B.A.E.

³⁴This problem is discussed by Carl C. Taylor, "The Work of the Division of Farm Population and Rural Life," Rural Sociology, June, 1939. See also "The Field of Research in Rural Sociology," B.A.E., October, 1938 (mimeo.). This report outlines the field of rural sociology, indicates accomplishments in the field and the types of research in progress in 1937, and sets forth future needs and prospects for rural sociological research. A useful bibliography is appended. There is no discussion, however, of the administration of research programs.

period of adjustment extending through many years will be required.35

There was no expansion of the resettlement program observed at the time of this study. Nevertheless, it seemed probable that both in the administration of the then existing projects and in special problems of organization and construction this experience would influence future developments. We have in mind not only the widely discussed Greenbelt towns, which were not really central to the resettlement program generally as it affected rural life,³⁶ but also the F.S.A.'s work in farm communities, subsistence homesteads, and scattered farms. Even by 1940 the data on construction costs and standards available from these experiments were of great value in the formulation of rural housing policies. Still more important was the light thrown by this experience on the development of a more adequate living for farm families through various cooperative devices, particularly in those areas requiring radical readjustment of farm programs.³⁷

The attitude of members of the House of Representatives from different sections of the United States toward this relatively new activity was reflected in the debate over the appropriations for the F.S.A. in June, 1939. Note the remarks, for example, of Representative Case of South Dakota, *Congressional Record*, June 15, 1939, p. 10182; Representative Leavy of Washington, *ibid.*, June 13, p. 10006; Representative Johnson of Oklahoma, *ibid.*, p. 10045; Representative Wright Patman, *ibid.*, p. 10062; and the general debate, *ibid.*, June 16, pp. 10310-24.

ibid., June 16, pp. 10310-24.

36 Despite criticisms of their cost these communities are already influencing standards of suburban development. See John Dreier, "Greenbelt Planning," Pencil Points, August,

1936.

TWe have in mind adjustment in the Plains from arable farming to grazing with more intensive agriculture in selected, better-watered spots; in the cotton belt where machinery and other factors displace large numbers of farm workers; and in the cutover regions generally. See, for example, Charles R. Walker, "Homesteaders—New Style," Survey Graphic, June, 1939, p. 377. See also the processed collection, "Reprints of Articles Concerning Homestead Projects of the Farm Security Administration Which Have Appeared in The Atlanta Journal, The Weekly Kansas City Star, The Memphis Commercial Appeal, The Columbia State, and the Memphis Press-Scimitar," issued by the F.S.A., May 15, 1939. Note, however, a less-favorable view of the collective farm idea presented by Calvin B. Hoover in "Agrarian Reorganization in the South," Journal of Farm Economics, May, 1938.

W. F. Baxter describes the Coffee County Farms project: "In a true sense, the work is neither a land program, a resettlement program, nor a rehabilitation program. It is an area or county program into which have been brought the activities of Federal, state and local bodies so that the problems of the whole county might be solved. . . . The plan for Coffee County includes rehabilitation of the population, reconstruction of the educational and public health systems, land-use, education in the home and improved recreational and social opportunities. The Farm Security Administration is extending financial aid and agricultural guidance to about 600 families in the county. . . . Money for schools, teachers, nurses and other public service personnel is received from various agencies. Agricultural Adjustment Administration and Soil Conservation payments are an important factor in the improved financial status of Coffee County farmers. . . . The Farm Security Administration is remodeling one school house and is constructing three more. . . . Vocational teachers are being employed and one-half of those available are assigned to the schools while the others work in the homes. . . . A new public health program, with three county health nurses in residence, is bringing much-needed medical care to more than 30,000

Tenancy

Students of public administration could also profitably observe the operation of the tenancy program in their own localities, states, and regions.³⁸ Title I of the Bankhead-Jones Act seems as significant a herald of social change in the United States as the Forest Research Act of 1891 and the Taylor Grazing Act of 1934. The difficulties of administering a program recognizing variables of human individuals and individual farms were great. The voluntary county committees, with their three farmer members, had the extremely difficult tasks of examining and recommending applicants and of appraising the farms proposed for their purchase. There were difficulties, too, in coordinating the work of the F.S.A. and the land-grant institutions in the development of the program so that there would be as little duplication of effort as possible and a maximum of cooperation.

Farm Labor

The problem of farm labor also came to be recognized in the thirties.³⁹ The migratory farm worker, indeed, received dramatic treatment at the end of the decade by the novelist John Steinbeck and in the motion picture based on his novel.⁴⁰ The acceptance by the Department of responsibilities in this field was reflected by the studies of the A.A.A. on the effect of adjustment programs upon tenants, share-croppers, and farm laborers, and in the establishment by the F.S.A. of

persons. A group health plan has been set up with the cooperation of the State and County Medical Boards. . . . Information on sanitation, health habits and proper diets is brought to each family through the public health nurses, the schools and the vocational teachers as they work in the homes. A County Health unit, under the supervision of a county medical officer, has cooperated with the Health Association during the year. . . . Cooperative purchasing, processing and marketing are conducted in connection with an existing cooperative organization, the Enterprise Farmers' Exchange. Four cooperative canning services are being established. . . . Improved school houses in four localities are providing community meeting places. A lake, camping grounds and pionic areas have been provided so that residents in different areas of the country are not isolated from their neighbors. The new planning for Coffee County, plus the active leadership of the County Council, is beginning to show results in the economic, civic and social progress of Coffee County." "Coffee County, Alabama—A Demonstration in County Planning," Planning and Civic Comment (April-June, 1939).

See above, p. 228, n. 5.
 See Lowry Nelson, "The Agricultural Labour Situation in the United States," *Inter-*

national Labour Review, June, 1938, p. 754.

**OSec The Grapes of Wrath (1939), and Carey McWilliams, Factories in the Field (1939). See also Davis McEntire, "Migrants and Resettlement in the Pacific Coast States," Land Policy Review, July-August, 1938; "The Migrant Follows the Crops," Social Work Today, December, 1938; "Migrant Farm Labor: The Problem and Ways of Meeting It," (mimeo.) issued by the F.S.A.; Paul S. Taylor and Edward J. Rowell, "Patterns of Agricultural Labor Migration Within California," Monthly Labor Review, November, 1938.

camps for migratory farm workers, chiefly in the Pacific region.41 While the recognition of farm labor problems through social legislation may be delayed in the United States, it is probable that we shall see more attention given to this subject.42

The novelty of governmental recognition of agricultural labor problems is illustrated by the fact that 1938 witnessed the first meeting of the Permanent Agricultural Committee of the International Labour Office. 43 An American delegate was present. 44 The Committee included both wage earners (including "settlers, share-farmers, etc., who from several points of view are simply wage earners") and "small farmers and owners" in the category of agricultural labor falling within the scope of the Committee's work. 45 Cooperation was urged in the study of relevant questions with the International Institute of Agriculture; the studies of rural hygiene of the Health Section of the League of Nations and of the League's Mixed Committee on Nutrition were noted as well as the relation of the social to the general economic problems of agriculture. The Committee addressed its discussions to the topics of standards of living, hours of work, holidays with pay, wage regulation and child labor, and the social effects of mechanization and rationalization in agriculture.

The tendencies in agricultural labor problems affecting public policy have been summarized by Mr. Nelson:46

Domestic factors which must be considered of outstanding importance in the United States are:

(1) The mechanisation of cotton culture, which for a hundred years has largely resisted mechanisation;

(2) The further mechanisation of corn and sugar-beet production; (3) The differential birth-rate in favour of the rural classes, resulting in a perennial surplus of labour beyond the needs of agriculture; (4) Unstable land-tenure arrangements, with a possible trend to

⁴¹The effect of the A.A.A. program on tenants and laborers is discussed in Nourse, Davis, and Black, op. cit., pp. 340-53, especially at pp. 347-49 and 351. Labor provisions of the Sugar Act are discussed in Agricultural Adjustment, 1937-38, pp. 57-58. See also "The Southern Negro on the Farm," a mimeographed statement issued by the F.S.A.

⁴²This problem was reflected in conflicts in 1939 over the Wages and Hours Law and over various state and national statutes relating to labor relations and social insurance. The problem is most acute in the Pacific and the southern states, where agriculture approaches the factory system in the emphasis upon large-scale single-commodity production.

**3 "Social Problems of Agriculture," Record of the Permanent Agricultural Committee of the I.L.O., February 7-15, 1938 (Geneva, 1938); see also "The First Session of the Permanent Agricultural Committee," *International Labour Review*, June, 1938, pp. 697-

46 Nelson, op. cit., p. 763.

<sup>714.
44</sup> Lowry Nelson, Professor of Rural Sociology, University of Minnesota. 45 "The First Session of the Permanent Agricultural Committee," op. cit., p. 703.

even higher rates of tenancy or larger numbers of people in the farmlabour class, or both; and

(5) Greater concentration of land-ownership, and increase in the size of the farm unit.

Should the trend towards mechanisation continue unabated, with a concomitant "enclosure" movement and increasing concentration of land-ownership, the United States may be confronted in the near future with the existence of an agricultural proletariat of considerable magnitude. This development, which is already under way, would be a relatively new phenomenon in rural American life. It would be a disturbing contrast to the traditional family farm, where the occasional hired man enjoys a social status not markedly different from that of the family for whom he works.

Such a development would likely bring with it a larger measure of group consciousness on the part of the labourer and the employer alike. It would, no doubt, ensure the success of efforts to organise the farm labourers for purposes of collective bargaining. Such efforts have not been conspicuously successful in the past, though attempts have been made since 1910 to effect the organisation of migratory labourers' unions. In recent years the Southern Tenant Farmers' Union, the name of which is self-explanatory, has met with some success in gaining membership among the tenants and share-croppers of the South. These efforts at organisation are not relished by the landowning farmers, whose attitude is definitely opposed to them.

A development of this kind will make necessary the enactment of provisions in the Social Security Programme to cover the needs of farm labourers. Indeed, there is need for such provisions at the present time.

In view of the unsettled outlook for the future, with its portent of possible distress among agricultural workers due to an increasing surplus of labour and to changes in technology and the commercialisation of agriculture, the Government of the United States should take into account more definitely than it has done heretofore the welfare of labourers when framing its agricultural policy.

In the Department responsibility for research in this field was vested in the Division of Farm Population and Rural Life of the B.A.E. Other agencies of the national government were also interested in agricultural labor problems. The Children's Bureau of the Department of Labor, for example, published studies of child labor in agriculture. The United States Employment Service, transferred on July 1, 1939,

⁴⁷See "Child Labor and the Work of Mothers in the Beet Fields of Colorado and Michigan" (1923), "Children in Agriculture" (1929), "The Welfare of Children in the Cotton Growing Areas of Texas" (1924).

from the Department of Labor to the Federal Security Agency, 48 maintained the Farm Placement Service in cooperation with state employment exchanges.49

Housing

A by-product of the activities of the Resettlement Administration and of the F.S.A. that might become a major factor in rural life programs was the construction of rural houses.⁵⁰ Attention had previously been given to farm housing and household equipment by various agencies in the Department. This earlier research was reflected in the bulletins on which the Bureau of Home Economics, the Bureau of Agricultural Engineering, the Bureau of Chemistry and Soils, and the B.A.E. collaborated.⁵¹ On March 14, 1939, Secretary Wallace issued a memorandum⁵² appointing a committee on rural housing with the following membership: C. B. Baldwin, F.S.A., Chairman; Monroe Oppenheimer, Solicitor's Office; Wallace Ashby, Bureau of Agricultural Engineering; Frank J. Sette, Secretary's Office; Donald C. Blaisdell, Secretary's Office; Roy Hendrickson, Office of Personnel; Louise Stanley, Bureau of Home Economics; and Oris V. Wells, B.A.E. Its purpose was

to consider suggestions for a program of rural housing for the entire country and to make recommendations regarding methods which might be followed to alleviate slum conditions in rural areas and to recommend such steps as may be desirable to assist farm families in securing the benefits of both private and Federal financial aid in improving housing conditions among the farm population.

The widening of interest in rural housing was no doubt stimulated ⁴⁸House Doc. 262, 76th Cong., 1st sess., "First Plan on Government Reorganization,"

**House Doc. 262, 76th Cong., 1st sess., "First Plan on Government Reorganization," Part 2, sec. 201, p. 11.

**O See Raymond C. Atkinson and others, Public Employment Service in the United States (1938), chap. 25, "Farm Placement Service"; "Work of the Farm Placement Service," Congressional Record, July 6, 1939, p. 12226; and Lewis T. Nordyke, "Mapping Jobs for Texas Migrants," Survey Graphic, March, 1940, p. 152.

**O See W. W. Alexander, "A Review of the Farm Security Administration's Housing Activities," Housing Yearbook (1939), pp. 139-50; see also his address on rural housing at the Institute of Citizenship, Atlanta, Georgia, February 15, 1939 (F.S.A., mimeo.).

**Si See the following Farmers' Bulletins: Planning the Farmstead (1132); Farmhouse Plans (1738); Modernizing Farmhouses (1749); Rammed Earth Walls for Buildings (1500); Adobe or Sun-Dried Brick for Farm Buildings (1720); Fire-Protective Construction on the Farm (1590); Farm Plumbing (1426); Heating the Farm Home (1698); Construction of Chimneys and Fireplaces (1649); Farmstead Water Supply (1448); Simple Plumbing Repairs in the Home (1460); Making Cellars Dry (1572); Sewage and Sewerage of Farm Homes (1227); and Oil Burners for Home Heating (Circ. No. 406).

**No. 811. See also Department of Agriculture, Housing Requirements of Farm Families

⁶² No. 811. See also Department of Agriculture, Housing Requirements of Farm Families in the United States by Maud Wilson, Misc. Pub. No. 322 (1939); and The Farm-Housing Survey, Misc. Pub. No. 323 (1939).

in part by the need for rural support for the housing program initiated for urban low-income families. A proposal to amend the United States Housing Act of 1937 by including specific provision for rural housing passed the Senate in June, 1939.⁵³ On the occasion of the introduction of this amendment Secretary Wallace wrote a letter to Nathan Straus, Administrator of the United States Housing Authority, which was read in the debate, in which he said:

While various agencies in the Department of Agriculture have been engaged in the program of improving housing conditions in rural areas, these agencies are not able to serve the lowest-income farm groups living under the worst housing conditions.

It is for these reasons that I would welcome the extension of the U.S.H.A. program to the rural housing field. I am glad that you appreciate the very close relationship between the entire farm economy and the problem of rehousing the low-income farmer. In my judgment, the proposed program of rural housing can only be effectively carried out through cooperation between your agency and the Department of Agriculture. The whole problem of housing in rural areas is one which requires special treatment because the sources, amounts, and stability of farm income present such different problems from those involved in an urban housing program. The cooperation of the Department of Agriculture and the U.S.H.A. would make it possible to bring to this problem the housing experience of your agency and the agricultural experience of this Department.

The Department's activities designed to assist the more distressed rural homes, however, were at best a makeshift except when they supplemented the programs of local communities and were based upon a careful exploration of the needs and resources of regions in which the opportunities for employment were determined. Relief and housing programs are especially dependent upon local understanding and participation, but at every point all rural life activities bring us to the problem of local needs, public services, and resources.

THE DEPARTMENT AND RURAL LOCAL GOVERNMENT

In the role of owner and operator of forests, wildlife refuges, farms, and ranches, the Department directly affected local communities: pay-

⁶⁸ Sen. 591, 76th Cong., 1st sess., Congressional Record, June 8, 1939, p. 9620. The amendment would have extended the program of the United States Housing Authority of loans, contributions, and grants to public housing agencies so as to permit the latter "to rent or sell rural housing to farmers." Sec. 202 authorized the Authority and the Department of Agriculture to cooperate, authorized the Secretary to use the employees and facilities of the Department in the development of the program, and authorized the Authority to reimburse the Secretary for salaries and expenses.

ments were made to replace taxes, local employment opportunities were supplied, and greater economic stability was provided. In forest and in land-utilization project areas generally the Forest Service and the Soil Conservation Service might be the major economic enterprises present.54 The Department might also, through its researches, contribute to more stable and profitable agronomic practices in areas, such as the cotton belt and the Great Plains, in which fundamental readjustments were required because of technological changes, soil exhaustion, market conditions, or other factors. 55 We would emphasize, however, that other agencies of the national government had functions related to local government that affected rural life. The social security program, with its financial and other aids to welfare and health services, and the programs of the Federal Works Agency illustrate the point. These lines of functional relationship ran vertically from the national government through the state to local levels of government; the task of each local agency was to relate these activities horizontally in a comprehensive program adapted to its local needs and resources and to eliminate gaps in the public services. It is in this local level that the political scientist will be particularly interested. The Department, however, had no research or other unit comparable to those in agricultural economics and rural sociology of the B.A.E. equipped with political scientists trained to study problems of local government and to appraise the effect of national or state functional influences on the government of the local community as a whole; nor was there such a unit in any other national agency of the federal government.⁵⁶ Few, if any, such political

⁵⁴We have shown, in discussing land use, the importance of integrating national public land policies with those related to other lands in the area because of the need for comprehensive plans for employment, public services, and taxation in a local community.

hensive plans for employment, public services, and taxation in a local community.

65 See E. L. Langsford and B. H. Thibodeaux, Plantation Organization and Operation in the Yazoo-Mississippi Delta Area, Technical Bull. No. 682, Department of Agriculture (in cooperation with the Mississippi Agricultural Experiment Station), May, 1939. The authors state their purpose as follows (pp. 3-4): "This study was conducted to determine the nature of plantation-management problems, and to provide information that should be helpful in planning desirable production systems. It is undertaken, in this bulletin, to describe the situation as to the organization, operation, and earnings of representative plantations in the area during the 5-year period 1932-36, and to account for the major causes of differences in plantation earnings during that period; to examine certain aspects of the tenancy and labor situation on plantations; to present information on the labor, power, materials, and other items used in connection with different production methods; and lastly, to analyze the relative economic advantages of various adapted systems of plantation organization in the area. Throughout this bulletin, the major emphasis is on the economic aspects of plantation management, and only incidental consideration is given to sociological factors."

⁵⁶The Social and Economic Research Division of the Department of Regional Studies of the T.V.A. was staffed with political scientists as well as economists and carried on studies of the effect of the Authority's program on local governments in the area.

scientists were at the agricultural experiment stations or on the faculties of the colleges of agriculture,⁵⁷ but valuable work in problems of local government was initiated by some agricultural economists and rural sociologists.

There is need for a comprehensive view of local rural government as a basis for appraising the separate functions for which it is in some measure responsible. This need is all the greater because too frequently the organization of government is complex and responsibility is shared by a number of boards and officials. Well-meaning efforts to achieve certain objectives in a road, wildlife conservation, school, or welfare program based upon national and state grants may actually distort the general program of a local government and invite serious budget problems. The integration of activities of various agencies of the national government that are directly related to rural life would be greatly stimulated if local governments were simplified and were strong in a leadership alert to see how national resources could be used to complete a program designed by the local community to fit its needs and resources.

* * *

The scattering of rural life activities in 1939 remained a challenge to the Department. The human aspects of agriculture were only recognized shortly before, and frequently the persons urging their importance were viewed as being apt to distract attention from the desirability of increasing the farmers' income. The social studies were, in this phase, relatively new and were more concerned with urban questions; their methods had not yet won confidence; and inevitably this general situation was reflected in their late development ⁵⁸ as a part of the Department's research activities. In 1939 the relationship of national and state activities to local government had yet to be reappraised in the light of longer views and cooler detachment than had thus far been

⁶⁷We believe that the departments of political science in the state universities especially have a responsibility for working with the agricultural economists and rural sociologists on problems of rural local government and that they have much to learn and to contribute. The work of M. P. Catherwood at the New York State College of Agriculture at Cornell University illustrates an all-too-rare utilization of political science in the study of rural problems.

Books on local rural government of particular value are A. W. Bromage, American County Government (1933); Lane Lancaster, Government in Rural America (1937); and William Anderson, Local Government and Finance in Minnesota (1935). Useful bibliographies on current writings on "Taxation and Local Government" are in the Agricultural Finance Review, published by the B.A.E.

⁵⁸We think it is significant that the 1940 Yearbook of Agriculture was to be devoted to "the economic and social problems of farmers in a changing world."

permitted by the catastrophic events of the depression; but that task would have to be attempted in the near future.

The Department, through the researches of O. E. Baker, ⁵⁹ L. C. Gray, and others, in the 1920's emphasized the importance of population tendencies and of the need for land-use research; the first Chief of the Division of Farm Population and Rural Life, C. J. Galpin, pioneered in the analysis of the local rural neighborhood and community. In cooperation with state and local institutions the Division faces in the 1940's the task of helping the solution of problems of local rural governments in the light of the responsibilities and opportunities which lie before them and in view of the current fundamental tendencies in American life. The functions of agricultural production, marketing, distribution, and finance find their ultimate expression in the use of the land and the way of life of all classes and races in the local rural community; whatever depends upon the collective judgement of that community will be affected by the quality of its political institutions.

⁵⁹Two studies that illustrate Mr. Baker's interpretation of population trends are "The Outlook for Rural Youth," Extension Service Circ. 223, September, 1935, analyzing occupations, migration, population prospects, and the deductions from these facts for agriculture; and "Population Trends in Relation to Land Use," Extension Service Circ. 311, June, 1939.

CHAPTER 12

AGRICULTURAL CREDIT FACILITIES

ATIONAL INTERVENTION in agricultural credit facilitation was instituted under the Farm Loan Act of 1916, after studies of European experience. Activity in this field, however, was not assigned to the Department of Agriculture, but to a system of regional land banks operating under the supervision of the Farm Loan Board. Nevertheless, in the Bureau of Agricultural Economics a Division of Agricultural Finance¹ was established for research in this field; the Division of Agricultural Cooperation began its history in the same bureau but was later to be allocated first to the Farm Loan Board and then to the Farm Credit Administration, thus emphasizing the intent of encouraging the development of autonomous farm credit institutions. The War Finance Corporation entered the field of credit assistance through the banks in 1920; various seed and production loan programs, generally confined to areas in acute distress, were initiated after 1920.

The Agricultural Marketing Act of 1929 extended national intervention further, with emphasis on cooperative marketing, as we have noted. The continuing farm distress led to the establishment in 1932 by the R.F.C. of twelve regional agricultural credit corporations, to make loans direct to farmers and stockmen. The creation of the F.C.A. by executive order in 1933 was designed "to bring under one organization all Federal agencies and instrumentalities concerned with agricultural credit. Also it was the intent to amplify the application of cooperative farm credit through other permanent agencies, already conceived and shortly to be authorized by congressional action." ² Such action was taken in the Farm Credit Acts of 1933 and 1937.

The activities and agencies of the F.C.A. were classified in the *Fifth* Annual Report³ "Into three groups: (a) those established as permanent

²Fifth Annual Report of the Farm Credit Administration (1937), p. 15. Note the charts of organization on p. 14. See also N. H. Wall and E. J. Engquist, A Graphic Summary of Agricultural Credit, U. S. Department of Agriculture, Misc. Pub. No. 268, September, 1938.

³P. 17. See, among the publications of the F.C.A., the following pamphlets: Agriculture's Needs for Special Credit Facilities, Economic Information on the Use of Farm Credit, Agricultural Financing through the Farm Credit Administration, Federal Land Bank and Land Bank Commissioner Loans, Loans to Farmers' Cooperatives, Improving

¹This Division edited the semi-annual Agricultural Finance Review of "current developments and research in the field of farm credit, farm insurance, and farm taxation."

units of a complete and coordinated farm credit system; (b) those born of the emergency but which are still in operation; and (c) those in process of liquidation." Included in the first were the Federal Land Banks (twelve) and the National Farm Loan Associations—cooperative credit organizations through which most of the loans were administered; Production Credit Corporations (twelve) and their constituent cooperative Production Credit Associations; the Federal Intermediate Credit Banks (twelve) and a central and twelve district Banks for Cooperatives. Emergency activities included those of the Federal Farm Mortgage Corporation and the administration of emergency crop and feed loans and "Land Bank Commissioner Loans." Agencies in liquidation included the Regional Agricultural Marketing Act Revolving Fund, inherited from the Federal Farm Board, and the Joint Stock Land Banks. The F.C.A. was also charged with the chartering, regulation, and examination of credit unions.

The outstanding feature of this program was the emphasis on cooperation:⁴

Cooperation exists not only between the Government and the permanent credit units of the Farm Credit Administration but also between member-borrowers of those credit units, whether individuals or grouped in cooperative associations. The Government supplies the necessary initial capital; the borrowers participate in this capital structure, each sharing a mutual responsibility for the benefit of all.

Originally, the only banks in the farm credit system were the Federal land banks making long-term mortgage loans, and the districts were appropriately called Federal land bank districts. However, three other banks subsequently were set up in each district, each offering a different type of agricultural credit but all—taken together—comprising a complete farm credit system. . . .

In each district is established at one central city and in the same building the Federal land bank, the Federal intermediate credit bank, the production credit corporation and a bank for cooperatives.

The activities of the F.C.A. were closely related to other agricultural finance activities of the Department at four points. The Farm Security Administration—evolving in part out of earlier relief activities in

Our Rural Credit Facilities (by W. I. Myers), Loans by Production Credit Associations, The Federal Intermediate Credit Banks. There is a long list of publications on cooperatives, including the monthly News for Farmers' Cooperatives. Among these are: Western Cattle and Sheep Areas, Organizing a Farmers' Cooperative, Cooperative Purchasing of Farm Supplies, Cooperative Marketing of Range Livestock, and The Surplus Problem of the Northeastern Milksheds.

4 Fifth Annual Report of the Farm Credit Administration, pp. 15–16.

rural areas—administered a system of small loans and grants to farmers, which it supplemented with farm- and home-management plans designed to assist in the rehabilitation of the client; it also administered the tenant-purchase program for assisting selected tenants in the purchase of farms. Here was an area, approached by the "subcommercial" loan of the Land Bank Commissioner type, requiring delimitation and cooperation between the F.S.A. and the F.C.A.⁵

There was also room for integrated administration of credit, landuse, and production control policies affecting farm management. 6 The treatment of foreclosed farm lands and the extension of credit to farmers, as well as the capacity of farmers to meet their credit obligations, affected, and were affected by, considerations of land use. It might be desirable, for example, in the Plains to shift from wheat to grazing; but the shift could not be made without adjusting loans originally designed for a smaller arable farm unit, without blocking up several units into a single ranch, and without stocking the ranch with cattle. Credit considerations and the financial resources available for production are an integral part of farm management and hence of land-use programs. Again, the financing of marketing and the supplying of research, informational, and managerial advice services to producers' cooperatives brought the activities of the F.C.A. and of the marketing activities of the Department into a field of common interest and activity.7

Finally, both the F.C.A. and the Bureau of Agricultural Economics conducted research in the field of agricultural finance. The Economic and Credit Research Division was responsible for such research as a "service agency" of the F.C.A.;8 the Division of Agricultural Finance

⁶A proposed amendment to the Bankhead-Jones Farm Tenant Act authorizing a farm mortgage insurance fund to be administered by the Secretary of Agriculture was debated in the Senate on July 6, 1939. (See *Congressional Record*, July 6, 1939, pp. 12096 ff.) The relationship of the proposed plan to existing activities of the F.C.A. and the F.S.A. was raised in the debate; it was pointed out that under the Reorganization Plan and Orders the Secretary of Agriculture would be in a position to coordinate all farm finance programs.

⁶In the Sixth Annual Report of the Farm Credit Administration (1938) it is stated, p. 101, that the Economic and Credit Research Division in several counties "studied the relationship between the loan experience of farm credit units and land classification data as a guide in making agricultural loans. Data were obtained in the range territory, which will be analyzed to provide information useful in extending credit to livestock producers." See also F. W. Reinoehl, "The Co-ordination of Farm Management with Servicing of Farms and Loans," Journal of the American Society of Farm Managers and Rural Appraisers, November, 1938, pp. 64–72.

⁷The creation of a new subdivision on Cooperative Research and Service of the Cooperative Division of the F.C.A. was announced in *News for Farmers' Cooperatives*, November, 1938, p. 2.

⁸See Sixth Annual Report of the Farm Credit Administration, p. 101.

and other divisions as well—for example, that of Statistical and Historical Research—carried on studies in agricultural finance. In the larger field of public credit and investment policy, integration of research and the formulation and administration of programs brought the Department into relationship with the Treasury Department, the Federal Reserve System, and the Federal Loan Agency.⁹

Thus, independent agricultural financial institutions were dealing with problems that were increasingly affected by programs of the Department. A joint committee had been established to perform a liaison function. In his first Reorganization Order, President Roosevelt allocated the F.C.A. to the Department, as a part of the program for reducing the number of direct lines of reporting to the Executive Office of the President; the transfer took place on July 1, 1939.¹⁰

The status of the F.C.A. within the Department was not easily defined, since the policy that had been emphasized had been one of encouraging a relatively self-contained system of cooperative credit institutions, the credit problems of which, as we have seen, would nevertheless be directly affected by agricultural programs for which the Department had been made responsible. The debate conducted over the question of relating independent agencies generally to the major departments gave a greater importance to the fate of this particular transfer than the immediate question of farm credit policies.¹¹ That the significance of the action was appreciated by Secretary Wallace was evidenced by his statement about it.¹²

With the concurrence of the President, Secretary Wallace today issued the following statement regarding the general responsibility he will have for the work of the Farm Credit Administration on and after the effective date of Reorganization Plan No. 1:

The Farm Credit Administration, including the Federal Farm Mortgage Corporation, will not become an integral part of the Department of Agriculture. Responsibility for carrying out the many Federal Statutes which form the basis for several types of farm credit, for formation and execution of operating policies, for control of fiscal, personnel, legal, informational, and related affairs will remain

^oSee House Doc. 262, 76th Cong., 1st sess., First Plan on Government Reorganization, part 4, pp. 16–17.

¹⁰Ibid.

¹¹As we concluded our studies of the Department by July 1, 1939, we have not made any detailed study of agricultural financial programs, since these problems were, up to that time, not major responsibilities of the Department. The allocation of the P.C.A. to the Department is so useful an illustration of the administrative aspects of policy integration, however, that we have felt more than justified in sketching this background of the problem and in illustrating it by relevant statements of the chief responsible officials concerned.

¹²Press release of May 22, 1939.

with the Governor of the Farm Credit Administration. It is through such controls and procedures that the head of an agency discharges his public responsibility. Therefore, to this extent the Farm Credit Administration will be an autonomous Federal agency as heretofore.

However, one clear purpose of the President's reorganization plan is to reduce the number of officials reporting directly to the President. Hence, the Governor of the Farm Credit Administration will report to the Secretary of Agriculture rather than to the President. The Secretary's responsibility will therefore be that heretofore exercised directly by the President. . . .

These differences in responsibility of the Secretary and the status of the agencies concerned are dictated by several considerations. While the supervision of credit facilities in the farm field is closely related to the other agricultural land-use activities of the Federal Government, it also has an equally important relation to the work of the Treasury Department and of the Federal Loan Agency. Furthermore, not all of the functions of the institutions and corporations under the supervision of the Farm Credit Administration are exclusively governmental in character. The Farm Credit Administration exercises a type of Federal supervision over these agencies quite unlike the usual Federal supervision where the organizations and controls are wholly governmental. Supervising as it does many different types of organizations—involving among other things more than 8,000 corporations—the Farm Credit Administration does not seem to be adapted to complete identification with the Department. The relationships involved can be handled best by a continuation of its present method of operation, with the Secretary of Agriculture exercising a coordinating supervision in only the broadest and most general way.

On June 3, 1939, he issued the following memorandum:

With the concurrence of the President, the Secretary of Agriculture hereby delegates to the Governor of the Farm Credit Administration all the powers conferred upon the Secretary of Agriculture and upon the Department of Agriculture with respect to the functions and activities, and the personnel, records, and property, of the Farm Credit Administration and the Federal Farm Mortgage Corporation by section 401, part 4, of Reorganization Plan No. 1, which was transmitted by the President to the Congress on April 25, 1939, pursuant to the provisions of the reorganization Act of 1939: *Provided*, That the Governor of the Farm Credit Administration shall report to the Secretary of Agriculture, rather than to the President, concerning the exercise of his powers: and *Provided*, further, That the Secretary of Agriculture shall retain authority to modify or rescind the provisions of this memorandum at any time.

The difficulties of reconciling the concept of an autonomous agency with that of a department responsible for integrated policy through its

The Department at Work

THE DEPARTMENT AT WORK

I. THE DEPARTMENT BUILDINGS

In this view from the Washington Monument the Administration Building with the East and West Wings are at the left, and the South Building is at the right.

2. Breeding New Plants

Agronomists of the Department experiment with soybeans to develop new varieties and to determine the fertilizer elements and conditions for best soybean growth.

3. CLASSING COTTON

Expert graders class cotton according to standards prepared by the Department in a room with controlled temperature and humidity to assure proper condition of the lint at the time classed. The porter delivers the cotton from the warehouse.

4. Enforcing Plant Quarantine

A plant quarantine inspector examines cars on main highways travelling to and from territory under quarantine regulations to check the spread of the Japanese beetle.

5. Developing Vaccines for Animals

Veterinarians, protected from infection by masks, use live chicken embryos in shells in the development of viruses and vaccines for animal diseases, such as sleeping sickness of horses.

6. DISTRIBUTING SURPLUS FOOD

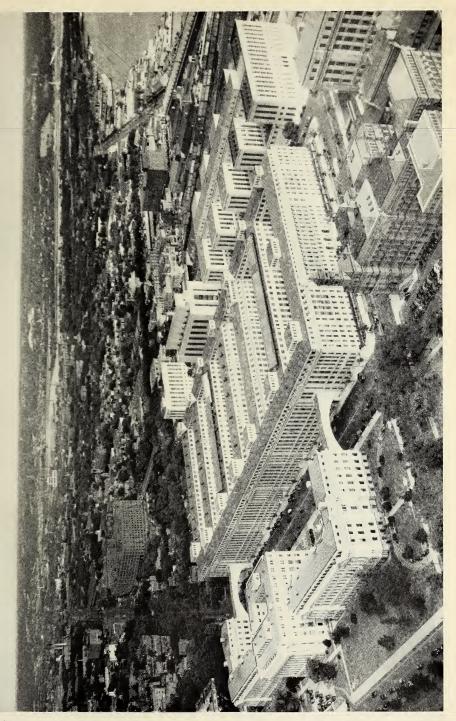
Through the Federal Food Stamp Plan the Department distributes fruit to low-income families over the counter of the corner grocery store. The fruit might otherwise have rotted on the trees.

7. CHECKING COMPLIANCE WITH CROP QUOTAS

The farm reporter for the county and a Dodge County, Nebraska, farmer consult an aerial map before going into the field to record crop acreages determined by the crop adjustment program.

8. ROTATING CROPS IN TERRACED STRIPS

Following the suggestions of the county agent, the farmer rotates strips of cotton, small grain, and annual lespedeza in terraces along the contours to prevent depletion of certain elements of the soil by one crop and to check improper drainage.



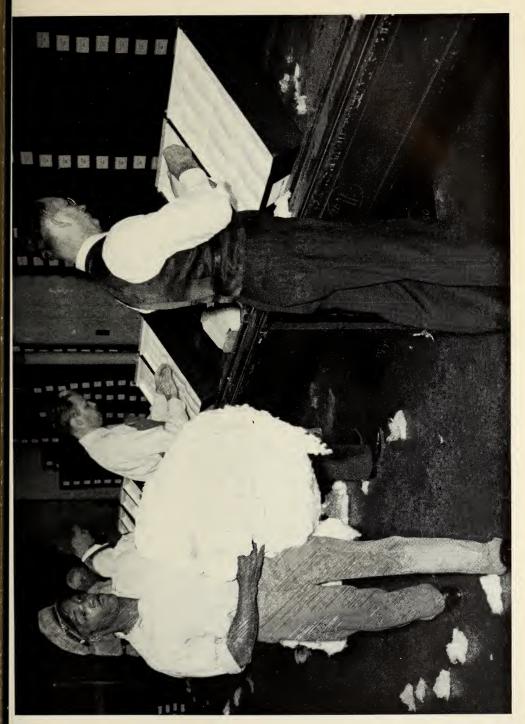
U. S. D. A. Photograph by Purdy

I. THE DEPARTMENT BUILDINGS



U. S. D. A. Photograph by Peter Killian

2. Breeding New Plants



U. S. D. A. Photograph by Peter Killian



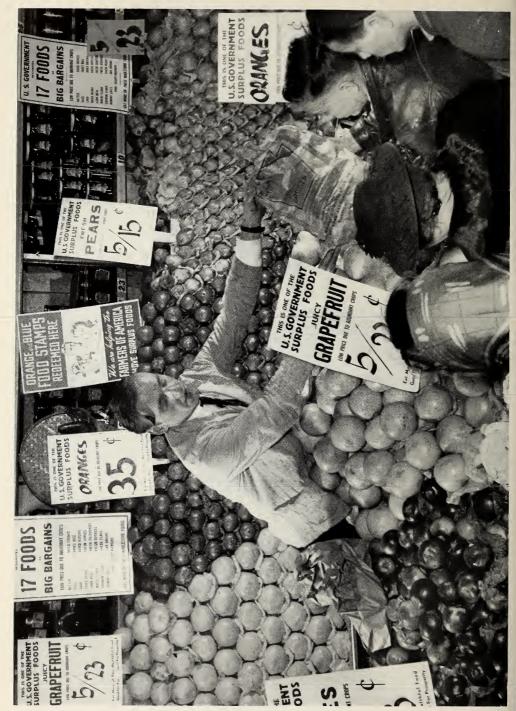
U. S. D. A. Photograph by Rothstein

4. Enforcing Plant Quarantine



U. S. D. A. Photograph by Peter Killian

5. Developing Vaccines for Animals



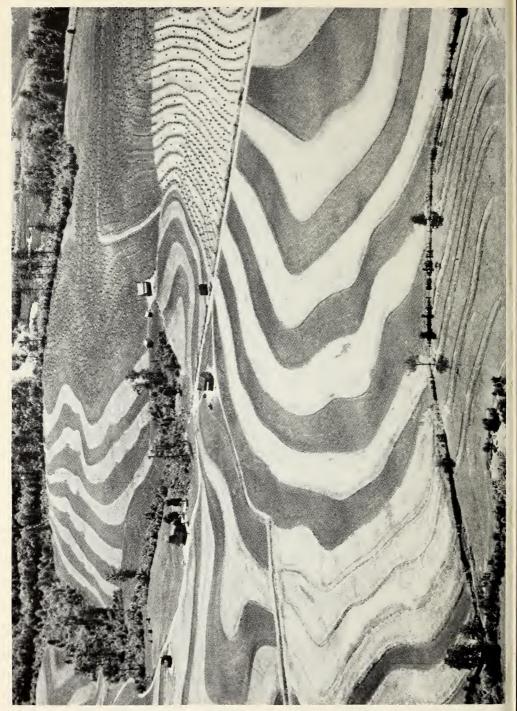
U. S. D. A. Photograph by Peter Killian

6. DISTRIBUTING SURPLUS FOOD



U. S. D. A. Photograph by Ackerman

7. CHECKING COMPLIANCE WITH CROP QUOTAS



U. S. D. A. Photograph by Welch

8. ROTATING CROPS IN TERRACED STRIPS

Secretary were evidently present after the transfer. Those difficulties in part grew out of controversy over farm credit policies arising out of concrete decisions as to farm foreclosures.

The statement, from which we quote in part, published on December 21, 1939, 18 revealed the attitude of F. F. Hill, Governor of the F.C.A.

In view of the fact that I have resigned as governor of the Farm Credit Administration and have been relieved from active duties, as of the close of business today, I feel at liberty to comment on the announcement that came from the White House on December 14. In that announcement, as reported by the press, it was stated that Secretary Wallace had now decided that he should have control of the Farm Credit Administration, and that the organization will be merged and absorbed into the Department of Agriculture. I, therefore, have the following comments to make at this time:

The sole issue in the present situation, so far as I am concerned, is whether the Farm Credit Administration should be continued as an autonomous Federal agency supervising cooperative credit facilities in the farm field or be absorbed and become an integral part of a large department of government responsible for the administration of a great many other programs.

There are no personal issues involved, so far as I know. The question is simply as to what form of organization will best assure agriculture a dependable source of credit at reasonable cost over the years to come without placing an undue financial burden upon the Government.

In my judgment this can best be done by restoring the Farm Credit Administration to its former status as an independent agency of government directly responsible to the Congress and to the President, and by continued efforts to strengthen and develop the self-supporting cooperative credit units under its supervision—the Federal land bank system, the production credit system, including the Federal intermediate credit banks, and the banks for cooperatives.

After all, the principal job of the Farm Credit Administration is not the lending of Government funds but the supervision of a group of self-sustaining cooperative credit institutions in which the farmers of the country have more than \$130,000,000 of their own hard-earned money invested. These institutions obtain most of their loan funds from the sale of securities to the investing public, which securities are not guaranteed by the Federal Government.

The functions of the Farm Credit Administration are more closely comparable to those of the Federal Reserve Board or the Federal

¹³The Washington Post, Dec. 21, 1939. The statement of the Secretary is taken from the same source.

Deposit Insurance Corporation than to those of the Department of Agriculture.

The Secretary's statement of the situation, published the same day, announced the appointment of Mr. A. G. Black as Acting Governor and reads in part as follows:

In line with my well known belief that a foremost obligation of Government in service to agriculture is to help farmers deal cooperatively with their economic problems, I will look to Gov. Black and his associates to continue and improve the work of making loans and giving service to cooperative marketing and buying associations. They will be responsible for administering loans to individual farmers in a way that will completely safeguard the equities of borrowers and of investors.

Of course the Farm Credit Administration faces some serious problems. The fact that former Governor Hill felt it necessary two months ago to suspend most foreclosures in certain areas reflects the existence of these problems. I wish to place myself in a position to discharge my responsibilities for handling these problems as they are brought to me for consideration.

My function as Secretary of Agriculture is to act as coordinator for the President in tying the Farm Credit Administration in with the rest of the agricultural work and thus keep all these public services to agriculture moving forward toward common objectives. To this end, my assistance and that of the staff officers of the department will be available to the officers of the Farm Credit Administration and the citizens served by the Farm Credit Administration just as it is available to the other agencies of this department and the citizens they serve.

I still stand on the memorandum which I issued on May 22, 1939, giving to the Farm Credit Administration administratively that autonomy which it requires for successful administration of the duties devolved upon it, but, as I said then, I must, under the duty imposed upon me by the law, be responsible for the continuation of the Farm Credit Administration's present method of operation by exercising a coordinating supervision in only the broadest and most general way.

The action taken now has nothing whatever to do with detailed administration, involves no change in administrative policy of the particular agencies of the Farm Credit Administration, but is necessary in order to integrate the policies of the Farm Credit Administration and those of the Department of Agriculture to the general policy of the Government of the United States in respect to all agricultural problems.

The issues centering in the relation of agricultural credit to other agricultural policies were the subject of debate during the sessions of Congress in 1940; we can here only underline the evidence supplied by this incident of the existence of problems of general departmental policy that emerged from the constituent operating units. The balance between departmental policy and the programs of the operating bureaus, and of both with other related departments of the national government, constituted a major problem of administration.

CHAPTER 13

THE LINE AGENCIES

Responsibility for administering the Department's substantive activities rests upon the line agency—generally called a bureau. Historically these agencies were largely semiautonomous, but the Department's growth between 1915 and 1940 created the need for aids to the Secretary and to the bureaus themselves in the development of departmental policy in which each bureau might play its appropriate part.

The older line agencies, in which emphasis was mainly, although not exclusively, upon production problems, were the Bureaus of Animal Industry, of Dairy Industry, of Plant Industry, of Entomology and Plant Quarantine, and of Agricultural Chemistry and Engineering, and the Forest Service. A second group, reflecting the growing interest in problems of marketing and of consumer services related to agriculture, included the Bureau of Home Economics as well as several agencies later placed under the general supervision of a Director of Marketing: ² the Agricultural Marketing Service, the Commodity Exchange Administration, the Division of Markets and Marketing Agreements, the Sugar Administration, and the F.S.C.C. ³ A third group comprised the so-called "action agencies": the A.A.A., the Soil Conservation Service, and the F.S.A., and later set up within the Department, ⁴ the F.C.A., the Commodity Credit Corporation, and the R.E.A.

Most of the personnel of the older bureaus were trained in the natural sciences during a period in which the emphasis was inevitably upon detailed and specialized physical researches in laboratory and field plot. The newer line agencies reflected the growing influence of

²The work of this organization is described in *Marketing Activities* (a monthly publication of the Agricultural Marketing Service), July, 1939, pp. 1-2.

The last three agencies were previously associated with the A.A.A.

4 July 1, 1939.

¹Most of the older bureaus have been described in service monographs published by The Brookings Institution: Weather Bureau (1922), Bureau of Public Roads (1923), Office of Experiment Stations (1924), Bureau of Animal Industry (1927), Bureau of Plant Industry (1927), Food, Drug, and Insecticide Administration (1928), Bureau of Chemistry and Soils (1928), Bureau of Biological Survey (1929), Bureau of Dairy Industry (1929), Forest Service (1930), Plant Quarantine and Control Administration (1930), Bureau of Entomology (1930), Bureau of Home Economics (1930). Valuable biographical studies of bureau chiefs in the Department will be found in Arthur Macmahon and John Millett, Federal Administrators (1939), pp. 319-36.

general economic and social inquiries and programs, and their personnel was more frequently trained in agricultural economics, rural sociology, and various agricultural trades.⁵

SOME COMMON CHARACTERISTICS

All these bureaus operated under the direction of chiefs (in some newer agencies entitled administrators) and through divisions, sections, projects, and work units. Their internal organization included, in addition to the line hierarchy, units that administered the housekeeping or auxiliary tasks, such as financial and personnel administration, under an assistant chief or business manager. Most of them maintained the largest part of their force and activity in the field, directed through regional, state, and field station or project units of organization. Internal organization and procedure varied greatly, particularly in field activities. After the establishment of the Extension Service in 1914 an effort was made to clear most of the Department's direct relations with the farmer through the cooperative extension services in the states, which were financed jointly by the national and the state governments. The Department, however, had other working relations with the state governments: notably through the Forest Service and the state conservation or forestry departments; through the Bureau of Public Roads and the state highway departments; and through the marketing services with the various state marketing agencies and other state departments having marketing or public health functions. There was never either on the state or on the local level any comprehensive coordination of the organizations and activities of all levels of government participating in the agricultural function.

Of the newer agencies the A.A.A. gave greatest emphasis to the use of existing Extension Service facilities in the application of its program locally; it gave substantial strength to the Service—at a time when it was financially pressed—by financial contributions as well as by relating the Service to its activities. The Soil Conservation Service developed its own demonstration projects; it not only made working agreements with the state extension services, but it also dealt directly with individuals and with local soil conservation districts. The F.S.A. had some local projects of its own with which, of course, it had direct relations; it also had its own personnel on the local level for the administration of its rehabilitation and tenancy programs.

⁶The head of the A.A.A. incumbent in 1939 came up through service in county and state A.A.A. organizations and as Assistant to the Secretary of Agriculture. The F.S.A. similarly had a personnel recruited from quite different sources than the older Bureaus of Animal and Plant Industry.

None of the line agencies was self-contained. Each turned to some of the others for assistance in attacking its problems. No reshifting of activities could prevent this need for cooperation and collaboration. It was possible, nevertheless, that the organization might be further unified: the activities of the Bureau of Dairy Industry might be returned to the Bureau of Animal Industry and those of the Bureau of Entomology and Plant Quarantine, to the Bureau of Plant Industry. Other considerations, however, such as size of the unit and relations with interest groups and other units of the government, were more weighty. Then, too, the possibility was discussed of consolidating in one line agency all the Department's activities with which the farmer had some contact in the field. When one appreciates that this move would include the amalgamation (under the assignment of activities to the Department in 1939) of the A.A.A., the Soil Conservation Service, and the F.S.A., the problem's importance and difficulty are apparent.

The fundamental relationship between organization and function and policy at once becomes clear. If, indeed, the A.A.A. were to emphasize policies of soil conservation and the best agronomic practices, it would seem logical that it eventually be absorbed into the Soil Conservation Service. What, then, would be the relation of this agency to the Extension Service and to the F.S.A.? Should the latter be absorbed in part into the functions of local governments and in part into the F.C.A.? Merely to ask these questions shows how far-reaching are the problems of policy that are involved. They will not be answered quickly and can most profitably be studied only by the observation of developments over a period of years. Bureau interdependence is well illustrated by the existence of a great network of interbureau committees charged with the various projects characterizing the Department's research work. Many different sciences may be drawn upon in a single project, and one bureau may perform services for other bureaus because it possesses the requisite staff and equipment.

The line agencies strengthened the forces making for continuity in the Department. They were, for the most part, manned by permanent

This time element is another reason why we believe that the Department's administrative problems should be reappraised at intervals in the light of tendencies whose strength and significance cannot be discerned at any one time. We do not know at the time of writing, for example, what will be the fate of various relief and welfare policies instituted

in the thirties when another party comes into power.

⁶See "Memorandum of the Secretary for the Chiefs of the Soil Conservation Service, Forest Service, Bureau of Agricultural Economics, Extension Service and Office of Land Use Coordination," January 31, 1939, for an example of interbureau relations. Reprinted below in Appendix B at page 479.

⁷This time element is another reason why we believe that the Department's adminis-

career officials. Secretaries, under secretaries, and assistant secretaries came and went and were in and of the Department a relatively short time. The freedom of the Secretary of Agriculture in allocating duties and responsibilities among the line bureaus was perhaps greater than that of most other department heads; yet he would be unable to make extensive changes in the organization and assignment of activities to older line bureaus such as the Plant and Animal Industry and the Forest Service. A recalcitrant bureau might, in defiance of a Secretary, rally powerful support from the interest groups and legislators in districts where its work was of particular importance.

SPECIAL FEATURES

Several line agencies deserve special mention because of their size, their history, the extent of their operating responsibilities, their general-staff and auxiliary services, and the more marked semiautonomous character of their activities. These are the Forest Service, the A.A.A., the F.S.A., and the Soil Conservation Service; also, the F.C.A. and the R.E.A.—in view of their transfer to the Department as late as 1939.

The Forest Service was the oldest of these agencies; it took the leadership in the struggle for the conservation of our forest resources many years in advance of public understanding and of Congressional support. The Forest Reserve Act of 1891 had been passed almost by accident.8

After the forest reserves were assigned to it, the Forest Service was confronted by the bitter opposition of lumber and other interests, particularly in the western states. Its philosophy and action seemed to challenge traditional American policies and assumptions, and the desire of western communities to profit from the exploitation of resources as the older states had done was challenged by the new conservation program. Consequently, the development of a militant and corporate spirit in the Forest Service was natural; the uniform of the ranger (the only uniformed official in the Department) symbolized this self-consciousness

⁸See John Ise, *The United States Forest Policy* (New Haven: Yale University Press, 1920), pp. 114–18, for an account of the way in which the Act was adopted by having become attached to a conference bill in the closing hours of a Congress. This study by Mr. Ise seems to us an excellent example of administrative history, including as it does an account of the development of policy in the light of its social setting and of the administrative institution in its relation to the evolution of policy. He remarks (p. 370), "For the fact that the United States finally got some national forests, with a scientific system of administration, credit is due, not to the wisdom of our national legislature, but entirely to administrative officials—Schurz, Cleveland, Sparks, Walcott, Fernow, Bowers, Pinchot, Roosevelt, and others; and these men had to fight Congress at almost every step."

of the Service.9 Through its two sets of regions—one for forest operations and management, the other for the forest experiment stations-it had a far-flung field service antedating even the Extension Service. Its activities brought it into constant association with the innumerable organizations in the lumber and wood-using industries that were affected by its policies and that in turn were interested to influence those policies. 10 It was no easy task, therefore, to harness this spirited and powerful agency to other line bureaus, such as the Soil Conservation Service, in the forwarding of a general departmental land-use program.¹¹

The A.A.A. resulted from the success of the farm-relief movement of the postwar period. Although it had been placed under the responsibility of the Secretary of Agriculture through the Administrator appointed by him, it remained in some degree an autonomous agency. There was, however, some assimilation functionally and structurally with the Department as a whole. 12 The F.S.A. had its origins in the Resettlement Administration, which was related to the Department largely through the person of Under Secretary Tugwell, who was also the Administrator of the Resettlement Administration. Some of its activities, gathered from various agencies chiefly outside the Department, 13 were less traditionally a part of agricultural administration. The Soil Conservation Service, initiated through the efforts of a career civil servant of the Department, had existed in its earliest stages in the Department of the Interior, from which it was transferred to the De-

⁹A trivial example of this particularism of the Forest Service was the designation of its offices in the South Building by wooden plaques on which the emblem of the Service and the names and titles of the officials were carved. Of the three "motor-propelled passenger-carrying vehicles" which Congress authorized the Department to operate in the District of Columbia, one was specifically allocated in the annual appropriation act to the Forest Service. Joseph S. Illick, formerly State Forester of Pennsylvania, professor at the New York State School of Forestry at Syracuse University, suggests that the corporate sense and spirit of dedication may have been accentuated by the use of the designation "Service" instead of the more common "Bureau."

¹⁰Each of the line bureaus had what might be termed its clientele of interest groups reflecting various processes, commodities, regions, and other factors in the respective interests. The importance of this aspect of government—an importance that increases with the continued development of corporative government—has been presented by E. P. Herring, *Public Administration and the Public Interest* (1936).

The Forest Service had an important part in flood control; its shelterbelt program was essentially an aspect of farming because it was designed to protect crops. Its grazing

activities were, of course, of major importance to the cattle industry.

¹²Marketing functions of the A.A.A. were transferred to units under the general supervision of the Director of Marketing and Regulatory Work; it no longer had its own Counsel; the Division of Program Planning was absorbed by the B.A.E.; its informational work was in 1939 more generally supervised by the Department Office of Information; any emphasis given to the soil conservation aspects of subsidy programs naturally brought it closer to other agencies in the Department.

¹³ See above, pp. 242-50.

partment of Agriculture. All these agencies had in 1939 a large personnel with far-flung field activities that brought them into relationships with every level of government and with individual farmers. We have noted the resulting criticism of some land-grant institutions and other state and local officials.¹⁴ There was a delicate and perplexing problem affecting the Department as a whole. It was in these three agencies (and in the F.C.A.) that the effects of the depression upon agriculture and rural life, and the resulting political action, made the deepest mark on the Department's organization. Furthermore, it was these agencies that were apt to be most affected by successive political changes.¹⁵

It was too early to determine in 1939 just how the F.C.A. and the R.E.A. were to be related to the Department generally. A special status was apparently envisaged for the F.C.A.; ¹⁶ at points, however, its activities were so closely related to those of the F.S.A. that we may assume that its special autonomous status would not prevent some integration of policy. ¹⁷ Apparently the R.E.A. was to be brought more immediately within the general departmental controls exercised by the auxiliary services.

The public corporation was employed by the Department for administering some of its newer activities—for example, the F.S.C.C. and the Crop Insurance Corporation.¹⁸ The opinion of the leading officials of the Department about the public corporation as an administrative device was revealed by the increasing tendency to assign these corporations to the status of the ordinary line bureau and to increase general departmental controls over them.

¹⁴ See above, p. 80.

⁴⁵Here again the importance of studying the administration of a function on all levels of government is made evident. If soil conservation activities were to be deconcentrated, for example, difficult and challenging problems of state and local government would have to be tackled. It seemed to be assumed by many who urged this deconcentration that these activities would be assigned without question to the experiment stations and extension services. There was, however, a question whether the states would not have to develop a better land policy and more carefully thought-out instruments through which that policy might be administered.

¹⁶ See above, p. 257.

¹⁷ After the above was written, the problem of the relation of the F.C.A. to the Department become a publish of contravery or noted shows an area.

ment became a subject of controversy, as noted above, pp. 258-61.

¹⁸ John McDiarmid, in *Government Corporations and Federal Funds* (1937), includes a discussion of the F.C.A., the Commodity Credit Corporation, and the F.S.C.C. (pp. 108-25, 165-70, and 193-96). A note on p. 208 describes the relation of the Federal Crop Insurance Corporation to the General Accounting Office. See also his useful discussion of the device of public corporation in chap. ix (pp. 209-32), and his Bibliography (pp. 233-36). The Committee on Public Administration of the Social Science Research Council held a Conference on Research on Public Corporations on May 7-8, 1938, for which a mimeographed outline and brief bibliography were prepared. The Conference resulted in an outline of suggested topics for further study: Research in the Use of the Government Corporation—An Outline of Suggested Research Topics (1940).

RELATIONSHIPS, POLICY, AND MANAGEMENT

Two factors combined to make both difficult and urgent the problem of coordinating the work of the bureaus within the Department itself, with other departments of the national government, and with state and local programs, powers, and resources: the tradition of bureau autonomy and the increase in the activities of the Department that more positively and directly affected agriculture in general and land use in particular on the local level. Little consideration has been given, in either the national government or state governments, to the similar problems of integrating policies on marketing and distribution.¹⁹ The study of the Department has become a subject to be approached from the viewpoints of state and local levels of government and, indeed, from the standpoint of regional problems.

Relating Line and Other Agencies

The growth in numbers and in variety of occupations of bureau personnel and in the complexity of problems of finance, equipment, and procedure made the administrative tasks of the bureau chiefs and of the Secretary more time-consuming and burdensome: a change had taken place not only in quantity of problems but also in the degree of their specialized and technical nature. Hence, the successful administration of a line agency required a satisfactory conduct of its relations in the field with local, state, and other national agencies, and at Washington with other bureaus of the Department and with other departments. Frequently bureau policy was only part of a larger policy for which responsibility should be shared with other units. This necessity was most clearly revealed in the field, where policy was sharpened down to precise application on a specific farm or project. Land-use activities, as we have seen, illustrated this fact most clearly. National policies affecting land use were necessarily only a part of the program required for the solution of problems in a locality. Local tax rates and debts, local public services and expenditures, local farm practices, local sources of employment and income constituted basic factors to which national and state land policies must be related.20

A similar complexity of factors confronted those who would attack problems of rural relief and poverty. The hastily combined activities

¹⁹The Director of Marketing and Regulatory Work was charged with the coordinating of several of the activities of the Department in this field.

²⁰This point is discussed by Leon Wolcott, "National Land-Use Programs and the Local Government," *National Municipal Review*, February, 1939.

that were christened the Resettlement Administration were immediately related to state and local relief problems, to the adjustment of population to resources and opportunities of employment, and to the structure of farm life and rural communities. In many of these matters government had hitherto intervened by indirection, as by the provision of land for homesteads or by vocational education. The national government later participated extensively in a huge social insurance and public welfare program in cooperation with the states, which in turn cooperated with their local governments. Until the reorganization in 1939 much of the work of the F.S.A. constituted a rural-relief program; the extent and complexity of the problems resulting from the drought in certain areas militated against the development of any long-time reconstruction. Here again the problem of relating a line agency to state and local activities, such as the County welfare agencies, and with other national agencies, such as the F.C.A., was an aspect of major policy.

Integration of Field and Central Policy

Expansion of the Department's activities not merely increased the number of line agencies but also created a need for more unified treatment in the field and a more careful preparation of programs at the center. Herein lay the importance of a regional treatment of policy. Unified treatment in the field might develop in the clearance of all programs through a single operating agency; some slight evidence of such a tendency might be discerned in the assignment to the Soil Conservation Service of the water facilities and farm-forestry activities. It might develop through the Extension Service and the new county agricultural planning committees after a period of experience and the successful influencing of programs by their deliberation. It might come by the adoption of common regions by all the line agencies, through which the Department's programs would be more flexibly adjusted both to environmentally homogeneous areas and to the states (and their local governments) most nearly coterminous with them.

Up to 1939 there was no unified departmental policy about regions and the role of regional offices; consequently, the resultant confusion probably led state and local officials to distrust regional offices as being designed to enable the Department to by-pass state and local units. A regional unit might be required by the presence of homogeneous environmental factors such as were present, for example, in the Northern and Southern Plains; cooperation between all levels of government on problems peculiar to such regions might be facilitated by a regional

unit of the Department. Regional coordinators for the work of the Department in the Northern and Southern Plains had been appointed.

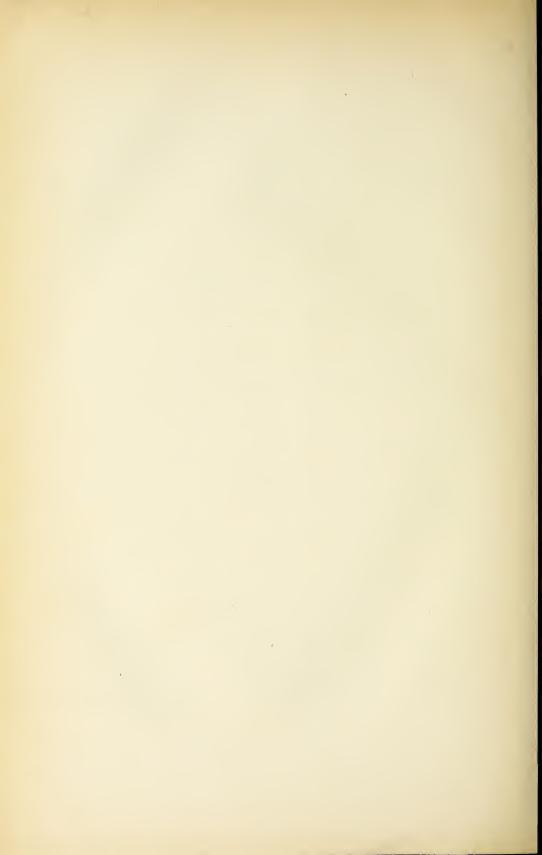
A job analysis by the Department of its regional offices and programs would help to clarify the questions involved; it would probably indicate a movement of problems and of policy away from the autonomous functional line agency to the all-inclusive territorial unit. To the solution of the problems of such a unit all the relevant substantive line agencies must make their peculiar contributions as determined by the special characteristics of the area and the participation of its citizens.²¹ Thus, constitutional provisions, governmental organizations, economic resources, environmental and population factors, and democratic participation at all levels were the major variables that must be integrated in the successful conduct of the activities of the Department.

Whatever the precise organization of the bureau, the problem of relations between the center and the field remained. At the center the official was in the atmosphere of the Capitol and was pressed by the considerations of general policy, of legislation, and of national and international markets. In the field the official had face-to-face relations with the citizen and could observe the varied and peculiar characteristics of the locality. More subtle differences of atmosphere and interest contributed to make a sharing of outlook and experience difficult. Officials all agreed that during transmission of materials up or down the hierarchy, changes, distortions, and shadings of meaning took place. Corporate attitudes of and toward field and Washington developed. For this reason, the assignment of officials from each for periods of service with the other was a highly valuable form of in-service training. This practice was instituted by M. L. Wilson, who organized field trips of Washington officials of different agencies with state officials; thus, both became acquainted with the characteristic problems of a region requiring joint planning and execution of policies.

The reflection of changes in American society, including attitudes toward the use of government, upon the evolution of the Department's activities has thus raised important problems of coordination of line agencies at the top as well as of all levels of government. How and where are these problems to be studied, and how and where are means of solution to be formulated? The occasional conference of bureau chiefs

²¹ See National Resources Committee, Regional Factors in National Planning and Development (1935), especially chap. viii, "Federal Departmental Procedure." Note also the maps and charts of regions and regional centers. James W. Fesler of the Department of Political Science of the University of North Carolina has made extensive studies of departmental regional offices.

is hardly an adequate instrument for this purpose. The traditional conceptions of policy as separate from administration are no longer adequate for describing relationships at the point where political heads and chiefs of line agencies must work together in a Department of varied and interrelated activities; relations of local and state leaders with members of Congress and with political leaders in the administration generally constitute a larger network. Furthermore, we must include as supplementary agencies of importance in government the array of vocational and other interest groups that are in touch with the Department and with Congress. Finally, there are problems common to all the line agencies, and the relation of the Secretary to them, of a "housekeeping" or "managerial" nature, such as the preparation of estimates and control of expenditures, personnel, purchasing, information, and extension; then, too, relations with state agricultural experiment stations may, at least in part, warrant uniform treatment. Thus, departmental services supplementary to the traditional line agencies have evolved not only in the formulation of policy but also in the implementing of controls and in the facilitation of management. They indicate the direction for exploring the significance and function of a department as an organism of which the line agencies are a part.



PART III

The Resulting Department of Agriculture



CHAPTER 14

THE FUNCTION OF THE DEPARTMENT

OF ACCOUNT of the evolution of the Department and analysis of its activities lead us back to the initial question, "Is there a Department of Agriculture?" The difficulties of defining a department are discussed in two recent official reports 2 on administrative reorganization, as well as by Messrs. Meriam and Schmeckebier. From these studies, as well as from our analysis of the Department's activities, it is clear that an executive department is a part of a larger organism—the executive power of the United States—constitutionally vested in the President. The powers and organization of the executive departments are conferred by Congress. What, then, is the function of an executive department in the light of its place in this larger organism? The answer to this question will determine the kind of organization necessary to perform that function and thus to achieve the purpose of a department.

DEPARTMENTAL FUNCTION AND THE NATIONAL EXECUTIVE

The differentiating characteristic of an executive department is that its head is a member of the President's Cabinet; within the department's duties assigned by law, he deals also with the Congress through Congressional committees. It is interesting and perhaps significant that the only references in the Constitution of the United States to departments occur in Article II, section 2, paragraph 2, which states that "the Congress may by law vest the appointment of such inferior officers, as they think proper, in the President alone, in the Courts of Law, or in the Heads of Departments"; and in paragraph 1 of the same section, that

¹Meriam and Schmeckebier state (op. cit., p. 160): "A high official of the Department of Agriculture once remarked, 'We are not a department: we are a family of bureaus."
²Preliminary Report of the Select Committee of the United States Senate to Investigate the Executive Agencies of the Government, Sen. Rep. No. 1272, 75th Cong., 1st sess.
(1937) and Report of the President's Committee on Administrative Management. Our discussion of the problem of function and organization has been greatly assisted by these documents and by the study by Messrs. Meriam and Schmeckebier; we record here our gratitude for this assistance. Our disagreement with these studies at certain points grows out of our more intensive appraisal of a single department; and students of administration will appreciate that administrative organization is a shoal upon which fierce currents break and wrecks pile up.

⁸Op. cit.

the President "may require the opinion, in writing, of the principal Officer in each of the executive Departments, upon any subject dealing with the duties of their respective Offices." These passages stress the dual function of the department head: participation in the preparation of policy and in the exercise of control. His advice will be more valuable if he can speak for a relatively unified and integrated group of activities; at best, the activities of a department will affect those of many other departments.

The Department of Agriculture, as we have seen, has had activities related to income, price, employment, the supply of many basic commodities, credit and investment, consumption, education, and transportation. Congressional committees to which bills on the Department's activities were sent were numerous.4 The modern economic system and the natural environment are so delicately balanced and adjusted that a proposal to intervene at any point should be scrutinized most carefully to avoid distorting consequences. Furthermore, careful preparation of policy in law and in administration is essential if the modern state is to avoid disaster. From this viewpoint, the case for an organic functional unity in a department is strong. It is the stronger when one considers the range and variety of business for which the President is responsible; until the late thirties too little thought had been given to the organization of his own office and almost none to the Cabinet's function and organization.⁵ The American people failed to see that the formulation of an integrated program was an essential task of the national executive; the issue was raised by the stress of the World War, but it remained unanswered. A comparable need for a unified program developed during the depression; a Senate committee under the chairmanship of

⁴In the House: standing committees on Agriculture, Coinage, Weights and Measures, Flood Control, Interstate and Foreign Commerce, Irrigation and Reclamation, Post Office and Post Roads, and Public Lands, and the special committee on Conservation of Wildlife Resources; in the Senate: standing committees on Agriculture and Forestry, Commerce, Interstate Commerce, Irrigation and Reclamation, Post Office and Post Roads, and Public Lands and Surveys, and special committees on Conservation of Wildlife Resources and To Investigate the Production, Transportation, and Marketing of Wool. The National Forest Reservation Commission and the Migratory Bird Conservation Commission were joint committees concerned with legislation affecting the Department's activities.

⁶See Meriam and Schmeckebier, op. cir., pp. 65, 163-65. They remark (p. 65): "The national government of the United States has never developed any effective permanent coordinating mechanisms. The Cabinet has never been legally recognized as such a mechanism and it has no secretariat to enable it to so function." By an executive order of September 11, 1939, the President moved to amend this situation by reorganizing the Executive Office of the President and including in it a staff that included the Bureau of the Budget, the National Resources Planning Board, the Liaison Office for Personnel Management, the Office of Government Reports, and the White House Office, including secretaries, administrative assistants, and the Executive Clerk.

Senator Robert M. LaFollette held hearings on his proposal to establish a National Economic Council. Another indication of the existence of a functional problem that had in 1939 yet to be diagnosed and treated adequately was the establishment by President Roosevelt of a National Emergency Council and of the Executive Council; the latter, which was merged in the former, included Cabinet members and heads of the major independent and emergency agencies.6

The failure to clarify the functions of policy and of control that center in the President, the Cabinet, and the National Emergency Council does not absolve a department from clarifying its own function, although it makes the task more difficult; this responsibility was recognized by the Department of Agriculture. The same factors—the increased use of government as an agency of social control and the increasing complexity of our problems-make necessary an improvement in Congressional policy formulation and in the relations of the executive to Congress. There again there was a costly lag in diagnosis and institutional adjustment.

Congress vested in the President and in other general executive agencies, such as the United States Civil Service Commission and various fiscal authorities, many responsibilities for the conduct of administration in such matters as personnel, purchasing, and the budget. The head of a department is the official in the hierarchy next to the President through whom these controls may be exercised over a particular department. This responsibility was the basis for the development of important general departmental services through which the Secretary of Agriculture could insure the line bureaus' compliance with general executive managerial regulations.8

FUNCTION AND ACTIVITIES

For what activities should a single department be responsible in matters of policy and control? We have urged that the duty of the department head to give counsel would be most efficiently performed if the activities of his department clustered about some fundamental subjectmatter core. How far does the Department of Agriculture possess such

⁶See "National Emergency Council" in *United States Government Manual*.

⁷Attention to this problem may be stimulated by the Assistants to the President, authorized in 1939, and the institution of administrative research work in the Bureau of the Budget. A clarification of the need for better preparation and unification of executive policy and control would seem to follow from the development of this work. There will still remain the need for improvement in the relation of the executive to Congress in policy-making.

⁸See below, pp. 317-77.

an organic function, and how far does it serve rather as a kind of "holding company" for a group of operating agencies that possess

little, if any, organic functional relationship?

Students of administration may well be sobered by the statement of Messrs. Meriam and Schmeckebier¹⁰ that "as a result of their studies the [Brookings Institution's] staff members have been forced to reject the theory that there is such a thing as a single controlling principle or a small group of controlling principles that dictate sound organization," for these authors have had a unique opportunity over a long time to study the problem. They continue with the opinion that "questions of sound organization cannot be successfully divorced from questions pertaining to the fundamental policy of government." It is because we adhere to this view, and believe that through it one can best approach the inescapable decisions on organization, that we have examined in such detail the Department's activities as expressions of policy.

New activities are assigned to government more through the zeal of groups interested in a single activity than because of a desire to achieve a logical grouping and completion of existing functions and organizations. Our constitutional distribution of powers between the national government and the states gives rise to small national agencies created to supply information or to administer grants-in-aid as a service to state agencies possessed of constitutionally greater coercive power. The Children's Bureau and the United States Public Health Service are illustrations. They lacked the size and the resources to warrant being made executive departments; the policies with which their work was related were of political importance chiefly in the states; yet the President was just as responsible by law for control over their operations as over such huge departments of national authority as War and Navy. The extent and variety of his responsibilities were such that he should have assistance both in the formulation of policy and in the exercise of controls; hence, the allocation to departments of agencies whose individual function was not, in the beginning, organically integrated with the functional core of the Department.11

[&]quot;Messrs. Meriam and Schmeckebier use the term "parent-company" (op. cit., pp. 160 ff.). They emphasize the need for recognizing different types of departments to meet the needs of various—often conflicting—factors. See especially chap. iii, "Structural Reorganization," and a discussion of the need for a flexible adjustment of structure within a department in the section of the Report of the President's Committee on Administrative Management, p. 38, entitled, "Some agencies may be given semi-autonomous status within departments."

Op. cit., p. 161.
 Thus, for such units the Department performs a "holding-company" service.

There will probably always be some agencies on the functional periphery of one department that might be assigned with equal logic to the functional periphery of another. Over the years, however, unless too great a gap separates an agency from the departmental core, various devices and procedures will weave the autonomous agency into the structure of the organic department, and even a tendency for a functional integration will develop. The Department of Agriculture was, in one sense, less an organic department when its activities were characterized by research along commodity lines than it was in 1939, when its activities were affected by the need for unified treatment of the problems of localities, states, and regions in the light of producer and consumer needs. The task of departmental organization is, therefore, in the phrase of Messrs. Meriam and Schmeckebier, one of "continuous reorganization." As the Report of the President's Committee on Administrative Management stated, 13

The work of reorganization is a continuing task growing out of and intimately related to the day-to-day work of the executive agencies. It is a task that cannot be done once and for all. It will require continuing attention. The assignment of the multitude of present activities to appropriate departments is not something which can be carried out ruthlessly on a wholesale blue-print basis without doing serious damage to the work and without destroying executive responsibility. In each instance the reorganization of the work will require careful research as to functions, processes, objects, and personnel, and the arrangements in each particular case will require not only advance consideration but experimental adjustment. In other words, the task of reorganization is inherently executive in character and must be entrusted to the Executive as a continuing responsibility.

We have argued that the Department's activities had, by 1939, developed to a point at which they required coordinated application in the field—and hence careful preparation of programs at the center—and that the Department had recognized this necessity. The administration of the public responsibility for production, marketing, and financing of farm commodities and their influence on land use and rural life was the "natural and proper . . . or characteristic action" of the Department; this was its "office" and "duty." Some of the activities were so closely related to those of bureaus in other departments that they were peripheral. The Weather Bureau activities were of vital importance to aviation; yet the future of agriculture and land use in

¹² Op. cit., chap. vi.

[™]P. 37.

¹⁴These are the phrases used in Webster's Dictionary in defining "Function."

various regions¹⁵ would depend upon research in weather and a knowledge of the types of agriculture that could be practiced within the limitations fixed by climate.

The regulation of commodity exchanges might be combined with the regulation of stock exchanges, or it might remain in a Department that was responsible for the public aspects of all the other stages in the marketing of agricultural commodities. The purchase of agricultural commodities for relief distribution might be entrusted to the relief agencies, or it might be continued as a part of a policy aimed at the adjustment of farm production to markets. The extension of public credit to farmers and their cooperatives might be assigned to the Federal Loan Agency, or it might be related to other forms of rehabilitation and adjustment and the development of more unified land-use policies. The enforcement of standards and grades of food and other necessities might be assigned to the Department of Commerce, the Federal Trade Commission, or a "Department of the Consumer," or it might be left in the Department of Agriculture with other activities related to farm commodities or the supply of information to homedemonstration agents. Forestry research and management might be joined to the administration of public lands (from which in part it originated) or remain as part of a unified land-use program. 16

Decisions on such matters, if not whimsical, will reflect social policy and social change. For example, if a policy of free food for the indigent is to be emphasized, the purchase of farm commodities for this purpose should go to the agencies administering relief; on the other hand, if emphasis is to be placed upon policies of production adjustment to markets, activity will be left in the department most familiar with market conditions. Whichever the decision, safeguards to protect the alternative interest should be included in the program.¹⁷ Although public roads activities were transferred to the Federal Works Agency, it is to be hoped that the effort to plan secondary-road subsidies with some relation to land-use and population trends in rural areas will be

¹⁵For example, the arid regions of the Plains. The Weather Bureau was transferred to the Department of Commerce under Reorganization Order No. 4.

16 For a detailed analysis of the relation of activities to department organization see Preliminary Report of the Select Committee of the United States Senate to Investigate the Executive Agencies of the Government. We have found the following chapters particularly relevant to our studies: chap. iv, "Government Activities in Relation to Private Finance"; chap. vi, "Public Works and Water Activities"; chap. xi, "Public Domain, Agriculture and Wildlife and Aquatic Resources"; chap. xii, "Promotion of Commerce and Industry"; chap. xiii, "Regulation of Private Business Enterprise"; and chap. xv, "Public Welfare."

¹⁷The Secretary of Agriculture, for example, was authorized to intervene before the Interstate Commerce Commission in transportation questions affecting agricultural interests; note also the role of the Consumers' Counsel in the A.A.A.

continued through liaison with the Office of Land Use Coordination. It is also desirable that the activities of the Bureau of Biological Survey, removed from the Department of Agriculture, be related to fundamental ecological factors and not become distorted by recreational pressure groups. The administration of grazing on public lands was another border activity, related both to the land-use program of the Department of Agriculture and the public land responsibilities of the Department of the Interior. As the extent of the public lands dwindled, the urgency of adopting wise land-use policies on all lands, both public and private, increased. The Department of Agriculture, because of its relations to the land-grant institutions as well as other activities, 18 had to assume responsibility for land-use policy in the national government, although it shared it at points with the Departments of War and Interior. Of the newly emerging activities, one that presented a most interesting problem of relationship was farm labor. Should this be a responsibility of the Department of Agriculture or of the Department of Labor? In 1939, it was shared by both. Later-let us say in two decades—social policies about rural classes, employment opportunities, and other related issues will have crystallized sufficiently, perhaps, to enable us better to answer such a question.

On the whole, although we recognize with Messrs. Meriam and Schmeckebier¹⁹ that there were "parent-company" aspects to the Department, we believe that it possessed substantial organic functional character through its "natural, proper or characteristic action" and its "office" and "duty" in the national government; that this functional character came through evolution, however, and not by fiat; and that its action required careful integration at many points with the action of other departments.

FUNCTION AND INTERESTS

The relation of function to occupational interests is reflected in the popular view that the Department is "the farmer's department." Can this conception of function as occupation be reconciled with that of function as office and action?²⁰ Agriculture, according to Webster's

the enforcement of numerous regulatory laws, including those relating to meat inspection,

¹⁸And the need for emphasizing comprehensive treatment reflecting regional ecology, based on researches in many sciences.

¹⁹Op. cit., p. 159. ²⁰This question is reflected in the following statement contained in Secretary Houston's Report for 1913 (p. 54): "When the Department of Agriculture was first organized, and for many years thereafter, its work was confined to matters directly affecting agriculture. Congress has, however, more recently enacted legislation charging the department with

Dictionary, is "the art or science of cultivating the ground, and raising and harvesting crops, often including also feeding, breeding, and management of livestock; the production of crops and livestock on a farm; farming." Since we are dealing here with an executive department that is an organ of the national government as a whole, we are concerned with the public aspect of this art or science.

It is in the Department that function as a profession or vocation meets function as an action and office of the national administration. An essential part, therefore, of the Department's task will be the translation—perhaps one should say the transmutation—of the viewpoints of the many contending interests in the field of agriculture into their legitimate balanced place in policy designed to improve the national political economy as a whole.

The Articulation of Interests

Perhaps we do not need to repeat that we are dealing here with an extremely difficult and complicated question. There are those who assume that an adequate account of government is given when the term "pressure group" has been uttered. Such people look upon the Departments of Agriculture, Commerce, and Labor as so many attorneys for their constituent vocational clients.²¹ We are not so naïve

animal and plant quarantine, food and drugs, game and migratory birds, seed adulteration, insecticides, fungicides, etc., many of which only indirectly affect agriculture. Its activities, therefore, now concern, directly or indirectly, all the people."

We would amend the Secretary's final comment by stating that all public activities related to agriculture affect "all the people" and not the farmer alone, although we recognize that there are degrees of interest and urgency toward the Department's activities by different groups of citizens.

²¹ An interesting comment appeared in the Washington Post of July 5, 1938, under the

caption, "Agent for the Farmer:"

"In addition to its far-flung activities intended to regulate the output of American farms, the Department of Agriculture is entering upon a new field of service. Secretary Wallace has just set up a division of transportation with the duty of securing lower freight rates on farm products.

"Authority for this new undertaking is contained in the agricultural adjustment act of 1938. . . . Because of the sweeping and confused regulatory provisions of the farm act, this 'rider' has been given comparatively little attention. But its purpose is clear. It makes the Department of Agriculture the agent or attorney of farmers in demanding lower freight rates on their products. A member of the Cabinet is authorized to press the demands of a special group of citizens before an independent agency of the Government.

"If farmers were totally unorganized, a good argument might be made for the establishment of some agency to represent their interests before the Interstate Commerce Commission. But Congress recognized the activities of co-operatives and the national farm organizations in this field by providing that the Secretary may assist them in pressing their complaints. Under these circumstances, the chief reason for bringing the Department of Agriculture into cases of this sort appears to be the influence it may have with the ICC.

"Of course, no one can determine in advance how the new division of transportation will operate. But its very existence creates an impression that Congress wishes to apply

as to ignore the important fraction of the truth that this position reflects. We point out, however, that agriculture, commerce, and labor are terms each of which covers a multitude of different types of interests that are rarely in total agreement on any save the most general and administratively meaningless abstract slogans. Thus, farmers are divided into many contending organizations, commodities, regions, economic classes, and other groups.

A pressure group is only a part of the whole community. Its members need the goods and services of other parts, for which their own product is given in payment. Such interdependence is the prime characteristic of modern industrial society. Hence, the reconciliation of special interests is a most urgent social task at all times. Unless, by negotiation, bargain, and compromise, some mutually satisfactory adjustment is reached, consumption and production are impossible. Mature and wise spokesmen of special interests are aware of this fact and include among the interests of their groups provision for the effective functioning of the society of which they form a constituent part. Civil strife is the destructive alternative. At what point in the evolution of policies in the life of the community shall the process take place of transforming a specialist point of view and program, through compromise and adjustment, into a more balanced public program? Much of this process must take place in the administrative agencies through the selection of personnel, their continued in-service training, the content and discipline of their professions, researches, and responsibilities, the attrition of interbureau and interdepartment contact and association, and the scrutiny of their work by the over-all administrative staff and auxiliary agencies and by Congress.²² If there is the proper attention to these matters, the viewpoint of the civil service will differ from the surrogacy that one expects from the officials of a pressure group.

Farmer and processor pressures will, however, flow inwardly upon the Department and will be registered through lobbies, the Congress, party activity, and in other ways. Increased attention in recent years to this aspect of politics is reflected in research and vocabulary. Proposals

pressure to the ICC to obtain specially favorable railroad rates for farmers. That factor alone makes this new assignment for Mr. Wallace a most unfortunate precedent."

²²The conditions surrounding the education, recruitment, and training of the civil service are as important as those affecting the legal or medical professions. At the time of this study they were receiving greatly increased attention in the United States, although there was not yet a sufficiently widespread appreciation of what had been accomplished or of the resources long available in our civil service. We may add that the presence of civil servants drawn from different occupations in the same agency not only gives the advantage of professional standards but prevents the ingrown and inbred attitudes too often characteristic of a group recruited from a single occupation.

have been made, for example, to establish a consumers' department as a counterresistant to the Departments of Agriculture, Commerce, and Labor-and, should one add, the Departments of War and of Navy? Even with such a department, the wider public aspects of a problem need to be considered far down the line of operating departments that inevitably are concerned with matters affecting the consumer and which could hardly be assigned to a consumers' department without locating most of the activities of the national government there. In fact, the entire national administration may be said to exist as the agent of the public as a whole, although, of course, each of its constituent parts is of greatest interest to some section of the public. No possible regrouping of activities can separate cleanly consumer from producer interests; nevertheless, it is possible at certain points in the process of policy formulation to clarify consumer needs and interests. In our opinion it is desirable, from the viewpoint of consumer defense, that this activity be included within such a department as Agriculture; in consequence, too, there might flow out from the Department to other interest groups some countercurrents of information and suggestions that would moderate their views. We found this educational function of the Department recognized, for example, in the discussion groups encouraged among farmers by the Program Planning Division of the A.A.A., later reallocated to the B.A.E., as well as in the work of the community and county committees themselves and by the county land-use planning committees.²³ Again, since the Department's activities included research on nutrition, adjustment of production to markets, and disposal of surplus commodities, there existed a better possibility of a more realistic adjustment of interests and attitudes that must eventually become integrated if an orderly and creative society is to be achieved.

Perhaps a Consumers' Department

It may be necessary, with the possible further development of government along corporative-vocational lines, to establish a consumers' department, as well as a tribunal of appeal from departmental decisions. Even then, however, we believe that there will at least be no damage done if the search for the general public interest uniting all occupations, regions, and other divisions is pressed at the point at which they enter the process of government. Some conditioning of the special interest by wider knowledge, experience, and responsibility within a

²³ See above, pp. 151-59, also below, pp. 381-86 and 453-56.

department, such as Agriculture, Labor, or Commerce, is also desirable in order that policies may be affected before they have become established as departmental policies and before the weight of departmental sponsorship and pride is added to their defense on intrinsic merits. If the public or consumer interest were to be defended only by a separate department, and the Departments of Agriculture, Commerce, Labor, War, and the Navy, for example, were to be encouraged constitutionally to press for a special-interest policy, the task of reconciliation would be postponed to a late stage in policy formulation and would be exacerbated by the invitation to departmental jealousies and particularisms as well. Here again we admit the existence of these factors and difficulties, but we seek to emphasize the great need for ameliorating them all along the way in the process of government.²⁴

Our belief rests in part, we may add, upon observation of the influence that the analysis of concrete problems has upon the participants. There is a logic inherent in the facts that breaks down the subjective views of those entering upon inquiry, whether the problem be one of land use in the Plains, or the marketing of a commodity, or the relation of farm to other forms of credit. We recognize that selfishness and narrowness of outlook will continue; but we are also impressed by what is accomplished through the intercession of a good civil service, trained to apply scientific procedure to governmental problems and encouraged to reconcile the needs of one sector of our political economy with those of the whole. The integrity and professional competence of a good civil service win the confidence of the interests served; such confidence permits the growth of a more public attitude and some adjustment of special interests.²⁵

Our use of the word "function" points to the fundamental need for integrating one department with other departments in the preparation of national programs. The policy and program of one department are only part of the whole. This was strikingly true of the Department of Agriculture. Phrases employed by its officials, such as "parity," "a fair share of the national income for agriculture," "the other half of the farm problem," emphasized the relativity of its policies to other

²⁴We also admit that even with the best conditions within these departments there might still be the need of establishing a consumer department or of developing a kind of appeals tribunal to review departmental findings. This is a debatable question.

²⁵Of course, a major contribution to the solution of this problem has to be made by

²⁵Of course, a major contribution to the solution of this problem has to be made by more responsible political leadership in the Congress. If a representative or senator "passed the buck" by serving merely as a spokesman for a special interest, the Department would be left in a vulnerable position as the sole defense of the public. See the incident described by Secretary Houston in *Eight Years with Wilson's Cabinet*, Vol. II, p. 103–5.

parts of national policy. It was significant that this relativity was recognized by the political head of the Department, as many addresses of Secretary Henry A. Wallace illustrated.²⁶ In speaking before the Community Forum in Pittsburgh on "The Community of Interest Between Labor, Capital and Agriculture," he remarked:²⁷

Pittsburgh typifies more dramatically than almost any other city the close relationship which exists between farmers, industrial workers and capitalists. When the Pittsburgh steel mills are producing at only a fourth of their capacity, the price of hogs in the Corn Belt is several dollars a hundred lower than would otherwise be the case. This was driven into my consciousness in a most effective manner 18 years ago when I was working statistically with the nature of the demand for hogs. One of the conclusions reached was stated in a book which I wrote on "Agricultural Prices" as follows: "Prices of Connellsville coke are a better indicator of the demand for hogs than bank clearings." Of course, the economic analyses of supply and demand forces which I made in 1919 are very faulty indeed but I have never forgotten that of the various statistical measures of demand which I employed at that time, Connellsville coke prices were among the best. In other words, the prospect of unemployment in the Pittsburgh steel mills was of tremendous concern to Corn Belt farmers.

Again, in a broadcast address before the National Radio Forum²⁸ the Secretary related farm production to food needs of the poor:

There are millions of other families who are supporting themselves, yet whose incomes are too small to permit them to buy enough of the right kind of food to eat.

Here, then, is a great potential outlet for our surplus farm production. As I mentioned a few moments ago, some persons want to solve the farm problem by selling our products cheap to foreigners. Now would it not be better as a general thing to give our own people rather than foreigners the benefit of such bargain prices? I, for one, think it would. And I feel sure most farmers and most city people will agree with me.

²⁶They also illustrated the important function of the political chiefs in relating the program of their department to general governmental policies and the social setting in which government exists; hence a department head must be a politician rather than a "pressure" spokesman or technician.

²⁷ January 3, 1938. The quotations are from the mimeographed copies released by the Secretary's Office.

²⁸October 24, 1938. Secretary Wallace returned to this theme in other speeches. See, for example, the following addresses: "Common Interests and Conflicting Interests of Farmers and Industrial Labor," Fifth International Conference of Labor Legislation, Washington, November 15, 1938; "The International Exchange of Goods in Relation to Progressive Agricultural Development," The International Conference of Agricultural Economists, MacDonald College, Ste. Anne de Bellevue, Quebec, Canada, August 27, 1938.

A demonstration of what may be possible has been made in New York City, where under the leadership of Mayor LaGuardia milk has been sold from central distributing points at a reduced price to low-income groups unable to buy the milk they need at the regular price. If such a plan is worth while for milk, could it not be made worth while for some other farm products?

The phrase, "the other half of the farm problem," suggests the complexity of relationships involved in agriculture as a function of industry and commerce. Somewhere thought must be given in the formulation of public policy to the problem of increasing the purchasing power of consumers and to other enlarged outlets for farm commodities, such as new uses.²⁹ Consideration must be given to the question of the number of farmers and farms that are needed and to the possible opportunities for the employment of farm population not needed in farming. Attention must be directed to vocational education and guidance for rural people and to the conditions that will justify and encourage the location of industry in rural areas.³⁰ Such questions are not the responsibility solely of the Department of Agriculture—or of the national government: their solution requires a far more alert local civic consciousness by means of which wiser use can be made of the resources of the national government in facilitating a healthy local civic life. As a matter of fact, the Department shared these responsibilities and had the duty of administering its activities in the light of their importance.



The function of administering on the national level the public aspects of agriculture involved the Department in complex relationships with other parts of the national government. Some of its activities reached out onto the international level as well. Our constitutional system and the natural variety of conditions in our vast area combined to make relationships to regional conditions and to state and local governments a primary factor in administration. Wisdom and strength

²⁹In this field research was to be developed more intensively in the new regional agricultural products laboratories comparable to the Forest Products Research Laboratory. See Appendix E, at page 508.

⁸⁰On this last point the researches and experiments conducted by the T.V.A. were most significant. Probably the most practical approach to this question is through regional, state, and local research and planning, supplemented by the use of the resources of national departments, especially the National Resources Planning Board, which as a staff agency of the President should be able to make available the assistance of all the executive agencies. The significance of this aspect of agricultural policy is brought out by Karl Brandt, with illustrative detail, in "The Employment Capacity of Agriculture," *Social Research*, February, 1935, pp. 1–19.

were required not only in action but in deciding what should not be done, especially in a society influenced by contending pressure groups. And what was done had to be undertaken within the standards of finance and management generally that were established by law and executive order.

How was the Department organized to perform its function?³¹ We have already described the allocation of its activities to the many line agencies constituting the basic units of departmental organization. With the growth in the size of the Department, in the dispersal of its activities geographically, and in the complexity of its relationships with other national agencies, levels of government, and interest groups, the organization necessary for performing its function reflected the need for instruments in policy formulation and of control to supplement the line agencies. These instruments were the general staff and the auxiliary services, which we shall next analyze.

³¹The organization units of the Department of Agriculture, grouped by general type of service performed, were as follows (as of June 1, 1940):

THE SECRETARY, UNDER SECRETARY, AND ASSISTANT SECRETARY.

GENERAL STAFF AND AUXILIARY SERVICES: The Secretary's Office, The Office of Budget and Finance, The Office of C.C.C. Activities, The Extension Service, The Office of Experiment Stations, The Foreign Agricultural Service, The Office of Information, The Office of Land Use Coordination, The Office of Marketing and Regulatory Work, The Office of Personnel, The Office of Research, The Office of the Solicitor, Division of Plant and Operations, Bureau of Agricultural Economics, Agricultural Program Board.

LINE BUREAUS: Bureau of Agricultural Chemistry and Engineering, Bureau of Animal Industry, Bureau of Dairy Industry, Bureau of Entomology and Plant Quarantine, Forest Service, Bureau of Home Economics, Bureau of Plant Industry, Agricultural Marketing Service, Soil Conservation Service, Agricultural Adjustment Administration, Farm Credit Administration, Farm Security Administration, Rural Electrification Administration, Commodity Credit Corporation, Federal Crop Insurance Corporation, Sugar Division, and Surplus Marketing Administration (established by Reorganization Order No. 3, April 3, 1940. To it were allocated the Division of Markets and Marketing Agreements and the Federal Surplus Commodities Corporation).

CHAPTER 15

THE GENERAL STAFF OF THE DEPARTMENT

THE FACT that the Department of Agriculture has a "function" presupposes also an organic entity—an organization. Each agency of a group of semiautonomous agencies might have its own function, but the group would not constitute a functional whole and the responsibility of each to central management would be limited. Each unit of an organism may have its own function, but the most important aspect of that function will be to contribute to the function of the whole. In a functional organism, in an Aristotelian sense, the whole is prior to its parts; in a group of autonomous or semiautonomous units the parts, to some extent at least, are prior to the whole. Functional performance requires, therefore, coordination of the parts of an organism. To some extent such coordination may be effected through the clear definition of function, but certainly in complicated structures coordination must be effected through organization. "The major purpose of organization is coordination." Function is the subject matter of an organism; organization is its structure. They are inseparable. An organism is composed of parts coordinated for the accomplishment of a given objective; organization provides the coordination.

THEORY OF ORGANIZATION

The organization of any body varies according to its function. The more complex the organism's function, the more involved is its structure. In human society the simplest organization is that of the individual, whose complexity is, of course, baffling. Frequently an individual is referred to as being well organized or poorly organized—meaning, usually, that he has or has not integrated his various tendencies around the special function he seeks to perform or that his ability to coordinate his many processes is or is not equal to that function. When the individual is a part of a larger unit comprising one or more other individuals, the organization of the larger unit is more complex: the individuals remain functionally organic entities, but they are at the same time parts of the larger functional organism.

¹Luther Gulick, "Notes on the Theory of Organization," in Gulick and Urwick, op. cit., p. 33.

Organization is something greater than the sum of its component parts. An organization's work processes separated into autonomous units would produce results far different either in kind or degree from the objective for which the whole was created. Each unit would follow a work pattern, the integration of which with other units would be wholly voluntary, if indeed possible: the greater the number of units, the greater the possibility of their working at cross-purposes. In such a separation, of course, each unit would in turn be a complete organization of subordinate parts. The process might be continued until each unit comprised a single individual. But even the individual must organize himself if his work is to be directed to a specific objective. He must coordinate his resources, his time, his ability, his energy, and his materials and direct them to a plan of action. Organization, then, is the directing of various processes and resources that have been brought together so that they may accomplish in unison what would be impossible separately.

Coordination

Coordination is the reciprocal of control. The individual cannot walk unless muscular coordination is responsive to his will to walk or, in other words, unless he can control the action of muscles which must contribute to the process of walking. Thus, control signifies coordination. Coordination, as we have noted, is the object of organization, and since coordination is control, organization also means control.² Control, therefore, is inherent in organization; it is self-direction. "Biologists tell us that the organizing activity of the organism is the directing activity, that the organism gets its powers of self-direction through being an organism, that is, through the functional relating of its parts."

The organization of an enterprise should provide the coordination and authority whereby the central purpose or function of the enterprise may properly be achieved. Function, therefore, is the end, organization the means of accomplishing that end.⁴ In a small project coordination may be effected simply. If only a few workers are engaged, the reality of objective may be so clear to each that authority will flow

²"For the object of organization is control, or one might say that organization is control." Mary P. Follett, "The Process of Control," in Gulick and Urwick, op. cit., p. 161.

⁴Organization may, indeed, affect function. An agency of the national government may, because of constitutional limitations, be able to accomplish a task given it by the Congress only through an organization that intermeshes with state and local governments. Such an organization adds to the function of the agency the integration of different levels of government.

from that objective. A larger, more complicated enterprise, on the other hand, may require a central structure of authority that will guide the activities of different projects, each with its own immediate objective, toward the common objective of the whole. There is always the danger that individuals on separate projects in a complicated enterprise will lose sight of the central function and become subjective rather than objective in performing their tasks. The more complicated the enterprise, the more involved is the structural authority. But no matter how complex an enterprise, authority is as natural and as inherent as it is in the simplest project; complexity merely requires special facilities for giving direction which otherwise might not be clear; authority must be articulate in an involved enterprise, but it is no more coercive than the authority of function in either a simple or complex organism.

Control

Control of an enterprise is possible through any or all of various devices. Policy formulation serves to indicate objectives and general direction. Planning guides the movement toward that objective by establishing work priorities of both time and place, by indicating the organization of men, materials, and budget by which the attack may be launched, and, perhaps, by indicating objective measures of performance. Leadership is control through example or inspiration and through the direction of work along the lines and in the manner indicated by the plans. A system of reporting enables the director to appraise the direction and accomplishment of each unit in the light of the organic function; reporting to a board of directors, or to the Congress, or to the public compels performance within and in accord with an expressed or implied mandate. Research on the problems dealt with will indicate further objectives and test the value of achievements. Each implement of control contributes to coordination.

A small enterprise may be so organized that the chief executive individually handles all control processes. So may he, too, in a larger enterprise, if its function is simple and clear. When, however, an enterprise is complex, the organization head, because of his limited span of attention, must have assistance. Sometimes a private secretary may furnish all the aid the chief requires; in other instances more assistants will be necessary.⁵ These secretaries and other assistants, working

⁵Individual assistants are apt to develop a highly specialized ability along a single line and hence make necessary the appointment of others to handle the remaining work.

intimately with the chief executive, help him in the performance of his responsibilities. They constitute the general staff.⁶ Their duties may be exclusively to direct and to implement the flow of business to and from the chief; or they may extend to actual participation in executive affairs, though only in the chief's name. Although the chief's responsibilities are inherent in his position and cannot, therefore, be delegated, he may nevertheless designate members of his general staff to act in his name. Thus, the general staff may, in fact, perform any services for the chief executive except those which by law or peculiar nature require his attention, study, or decision. More specifically, it may be said that general-staff activities are related to aspects of administration, such as policy-making, planning, priorities, budget, personnel, reporting, and organization, and to all control implements.

Role of the General Staff

The part played by the general staff in these aspects of management varies among organizations. It depends upon many factors: the size of the enterprise, the administrative qualities of the chief, and the peculiar abilities of general-staff personnel. Whatever the participation, it will involve some definite duties. Collection and recording of pertinent information are fundamental. Analysis of available information in the light of organization problems and executive responsibilities, followed by recommendations to the chief, is a continuing process. Staff members will consult with each other and with the chief, bringing their knowledge to bear upon policy and procedures. Finally, as has been stated, individuals may act in the chief's name in carrying out his orders and regulations. The general staff is an integral part of organization, which is its principal concern. All that it does serves to maintain central control and to facilitate coordination, which makes control possible.

An organization's general staff is usually not only a desirable aid to the chief executive but a necessary one. Even a person of great ability and energy and one devoted to his work cannot give the necessary

Indeed, an assistant's activities may become so specialized and extensive that he will need aides of his own and may, in fact, develop an elaborate office. This process is historic. It is, for example, coincident with the emergence of government departments from the king's household. The designation of department heads as secretaries is a visible remnant of the process.

⁶Helpful discussions of the general staff may be found in Henry H. Farquhar, "The Modern Business Staff," Journal of the Society for the Advancement of Management, May, 1939; E. J. Coil, "Administrative Organization for Policy Planning," Journal of the Society for the Advancement of Management, January, 1939; Leonard D. White, op. cit., pp. 63–82; Gaus, White, and Dimock, op. cit.; and Gulick and Urwick, op. cit.

attention to the infinite number and variety of problems that a large enterprise entails. The span of attention and the span of control of a director are definitely limited. He cannot, for example, personally investigate, through field trips and research, the implications of a wheat production control program for other commodities and general policy. Of the infinite variety of interrelationships that must be controlled and directed by the chief of a large organization, he can give personal attention to but few. He must have assistants who will relieve the pressure of the countless details coming to his office.

Relations of general-staff officials to the chief are, by virtue of their unique position, intimate. Their importance to the organization in general, and particularly to the chief, depends upon this intimacy. In order that this relationship may be assured and that the general staff may be as helpful as possible, it is essential that its membership remain small. Again, it is the human factor that limits the number of staff assistants to whom the chief can give sufficient time and attention. If the general staff is too large, most of the chief's effort will necessarily be directed to problems arising from general-staff interrelationships; such a staff would be more burdensome than helpful. The precise limit on the number of staff assistants cannot be stated. It is dictated by conditions that vary greatly: it will depend upon the peculiar abilities of the chief as well as of the assistants; the nature and size of the enterprise; the extent of the integration of the various activities; the capacity of the assistants to coordinate their efforts; and many other factors. Mr. Graicunas has shown that, at the top, three assistants doing separate work are a reasonable maximum. In actual practice, however, this number may effectively be increased, but relative to the size of the enterprise, it must remain small.

THE DEPARTMENT'S ORGANIZATION

The organization of the Department of Agriculture must be commensurate with the Department's function—its "natural, proper or characteristic action," its public responsibility for production, marketing, and financing of farm commodities and their influence on land use and rural life. The Department's size and complexity need no elaboration at this point. It is evident that its organization is also complex, and to fit it to a function that is far from simple is exceedingly difficult. The Department's manifold activities, inaugurated separately

⁷Activities at the periphery of the Department's function do not lessen the need for an integrated organization, whose existence would act as a centripetal force and thus pull such activities to the center.

in time, and even in purpose, and not in accordance with a comprehensively planned superior objective, need to be coordinated if they are to contribute mutually to the Department's function. Historically there was a tendency to group separate activities around central cores. This tendency was, of course, furthered by-if it was not the direct result of-increased knowledge and experience. Within such groupings coordination was possible and expedient. The different groups must in turn be coordinated with the Department's function.

Coordination, as already noted, signifies control. Its accomplishment in the Department would presuppose an elaborate structure of authority. The Secretary, as the Department's chief executive, held the reins of authority: "the Department of Agriculture shall be an Executive Department under the supervision and control of a Secretary of Agriculture."8 In addition to this direct mandate of authority, the exercise of control by the Secretary was necessary so that he might meet other requirements of the Congress. For example, "the Secretary of Agriculture shall annually make a general report in writing of his acts to the President. . . . He shall also make special reports on particular subjects whenever required to do so by the President or either House of Congress."9 "The Secretary of Agriculture shall direct and superintend the expenditures of all money appropriated to the Department and render accounts thereof";10 and, "Hereafter it shall be the duty of the head of each Executive Department . . . to make at the expiration of each quarter of the fiscal year a written report to the President as to the condition of the public business in his Executive Department ... and whether any branch thereof is in arrears."11

Legislation establishing specific activities in the Department usually conferred administrative authority on the Secretary; even statutory bureaus were expressly declared to be under the general direction of the Secretary. 12 In addition, the Secretary might be called upon by Congressmen or Congressional committees for information and reports on departmental activities. In the light of great action programs affecting millions of people who might freely complain to Congressmen

⁸²⁵ Stat. L. 659.

⁹45 Stat. L. 993. ¹⁰25 Stat. L. 659.

^{11 30} Stat. L. 316.

¹² See, for example, legislation establishing the Bureau of Dairying: "That there is hereby established in the Department of Agriculture a bureau to be known as the 'Bureau of Dairying.' That a Chief of the Bureau of Dairying shall be appointed by the Secretary of Agriculture, who shall be subject to the general direction of the Secretary of Agriculture." 43 Stat. L. 243.

about inconsistencies in the application of different programs, it was imperative that the Secretary exercise control if he was to meet his responsibilities.

The Secretary, as already noted, owed a duty to the President and the Cabinet on matters of policy. In the absence of an adequate policyconsulting and control-facilitating body of the national executive, department heads must bear the responsibility for harmonizing their iurisdictions with the function of the national government. This responsibility could best be met if the secretaries themselves represented integrated wholes and had the power to make adjustments to determined national policy. The Secretary was the apex of the Department's structure of authority first, as head of the organization; second, by legislative mandate; third, as a member of the President's Cabinet; and, fourth, as an agent of the public. Lines of authority flowed from the Secretary's Office to bureaus, divisions, sections, projects, and work units. It was at the broad base of the structure where the activities affected farms, local areas, and regions that coordination must be effected. But coordination on the ground was dependent upon coordination at the top; the latter was the responsibility of the Secretary, but he could not meet it without staff assistance.

PURPOSE OF THE GENERAL STAFF

The general staff of the Department was a vital part of the organization. It was central to the function of the Department, addressing itself to policy formulation and to organization itself in the light of that function. At the same time, the general staff was without direct authority of its own. It acted individually and collectively as the alter ego of the Secretary, lending him additional eyes, ears, and arms for exercising his responsibilities:¹³

Possibly the simplest way of understanding the difference between the line and staff attributes is to state that if the administrative head of an organization had sufficient time and sufficient ability to study out in detail and be thoroughly familiar with all phases of the work for which he is responsible, he would not need a staff. Therefore, a staff organization can be looked upon as a group of men who, at the direction of the administrative head, study and analyze problems and

¹³Edgar W. Smith, "Relation of Organization to Management," Administrative Management (a series of lectures delivered in the Graduate School of the Department of Agriculture, from October to December, 1937), p. 54. Luther Gulick has stated: "When the work of government is subjected to the dichotomy of 'line' and 'staff,' there are included in staff all of those persons who devote their time exclusively to the knowing, thinking and planning functions, and in the line all of the remainder who are, thus, chiefly concerned with the doing functions." Gulick and Urwick, op. cit., p. 31.

develop principles to the end that the administrative head may have before him the necessary facts and opinions upon which to pass judgment and to take action. A staff is something to lean upon. That is its original meaning, from which we have arrived at the derivative sense of the term as we employ it today.

Although there is a clear distinction between staff and line in terms of duties and authority, nevertheless it should always be clear that they represent no separateness of purpose. Both have the same objective: to further the Department's function. By necessity most, if not all, line matters directed to the Secretary must clear through the general staff. There were insufficient hours in the day to permit the Secretary to give adequate attention to all or even to the most important questions. Countless orders, memoranda, letters, and other papers required his signature; records or hearings and budget recommendations were subject to his review; and questions of policy and organization needed his attention. In addition, the demands on the Secretary's time by the President, the Congress, his party, interest groups, organizations, and individuals were extensive. The general staff acted to reduce these pressures on the Secretary: it reviewed practically everything directed to the Secretary; it evaluated each matter in the light of all relationships, of departmental functions and policy; it determined the merits of each case and passed it on to the Secretary with a recommendation based upon its analysis-for action.

The general staff might decide that some matters did not warrant the Secretary's attention. ¹⁴ It should be clear, however, that the general staff did not make such determinations with finality. Its logical course of action in these instances was to confer with the agency involved, to state its judgment, to suggest alternatives, or to advise different procedure; it might be necessary to introduce representatives of other agencies, even of other departments, to facilitate a solution without the Secretary. In the absence of such a solution the general staff must clear the way to the top. Its attention was also required to the flow of decisions from the Secretary to the line: it must facilitate that flow and follow eventual application to appraise the effects in the light of the Secretary's determination, departmental function, and policy.

Thus, the general staff supported the Secretary in the performance of his job. "A staff is something to lean upon." But a staff would not help one to walk on clouds; it is, indeed, of little value without solid

¹⁴Assistants, for example, cleared all but the most important press releases even when they quoted the Secretary.

earth to support it. When a human staff is used it must be supported by a human foundation, and the mortar of that foundation is consent. "Organization must provide . . . through its principles and their application, for the continuous winning of consent in the formulation of and movement toward a purpose."15 The general staff must help to win the consent upon which its effectiveness was dependent. In the proper performance of its duties the general staff must liberate, not obstruct, the line agencies. The avoidance of the bottleneck at the Secretary's Office reduced or entirely eliminated restrictive delays. The disposal of complaints directed to the top by outsiders relieved the line agencies of trying impediments to operations. 16 A more positive obligation of the general staff to line agencies was to see that they received proper attention at the top. The staff must facilitate rapid response to inquiries or plans submitted for approval; it should, on its own initiative, constantly consider the operating agencies, protect their interests, and consult with them on relevant matters of policy and organization. The more effectively the staff liberated operations, the better it won consent, and the better it served the Secretary and the Department.

In all its work the general staff must be guided by the Department's function. It must be prepared to evaluate every action in terms of the Department's responsibility to the President, to the Congress, and to the courts. Theoretically, such responsibility is responsibility to the public. Actually, responsibility to the people is greater than any legal, constitutional, or conventional requirement. Every civil servant in a democracy is individually and directly responsible to the people as well as to instrumentalities of government. Failure to meet this obligation results in institutionalized "checks and balances," but the existence of courts, legislators, a chief executive, and an electorate does not release the civil servant from his direct responsibility to the people. Legal responsibility is a minimum standard; responsibility to the public is limitless. General-staff personnel particularly must reflect a deep-seated responsibility to the public. In a real sense they represent the final effective opportunity of protecting the public interest before, not

¹⁵Gaus, "A Theory of Organization," in Gaus, White, and Dimock, *The Frontiers of Public Administration* (Chicago: University of Chicago Press, 1936), p. 69.

¹⁰Not all complaints received at the top were disposed of there. Some were referred to the

¹⁰ Not all complaints received at the top were disposed of there. Some were referred to the appropriate line agency for handling. But in many instances, though the line agency might be asked for a report or to prepare a reply, someone at the top would sign the outgoing letter. A letter from the top tended to choke off dilatory haggling expeditiously, whereas a letter from a line agency would be apt to start unending bickering.

¹⁷ Only a small portion of government officials can be affected by popular elections.

after, damage is done.¹⁸ Moreover, the task of winning consent extends beyond departmental personnel to the people of the nation.

The lot of the general staff is not an easy one. Its job in the Department was complex, subtle, vital, and huge. Yet, as we have noted, its membership must be severely limited if it is to serve at all. This presents a dilemma that has but one solution: personal competence. What the measure of competence is evades precise definition, but some of the qualifications of good staff personnel seem reasonably clear.

QUALIFICATIONS OF THE GENERAL STAFF

General-staff personnel should be generalists. This does not preclude their also being specialists; but for specialists to be good staff men they should also be generalists. It is much more important that they know enough about everything so that interrelationships will at all times be clear. 19 Nature's balance is extremely delicate; economic balance is perhaps no less sensitive. A change at any point, even though socially progressive by intent, may effect subtle maladjustments impelling nature to cataclysmic efforts at restoration of a balance. The restored balance may or may not be as advantageous to man as the original status. The dust storms were signs that nature was forming a new balance for the one disturbed, but nature's way might have produced a desert. Man's attempt to restore a favorable balance involved the people on the land, tenure, taxation, the national economy, foreign trade, increased production and consumption of livestock, national, state, and local efforts, delinquent lands, public-land purchases, water, flood control, research, relief, politics, regional pressures, and education.

Specialists are necessary in each field; the generalist must see that all efforts add up to a positive program and do not cancel each other. The specialist may make his greatest contribution through knowing everything about his particular subject; the generalist must know enough about each segment to guide its integration into the whole. Perhaps the strongest statement of the importance of the generalist in administration is that by Brooks Adams in 1913:²⁰

²⁰ The Theory of Social Revolution, chap. vi, pp. 207-8.

¹⁸It is desirable also that the public interest be injected at the level of the operating agencies where vital plans and policies are born. This need supports the case for general staffs under bureau chiefs.

¹⁹In Louis Brownlow's phrase, they should be possessed of catholic curiosity.

Administration is the capacity of coordinating many, and often conflicting, social energies in a single organism, so adroitly that they shall operate as a unity. This presupposes the power of recognizing a series of relations between numerous special social interests, with all of which no single man can be intimately acquainted. Probably no very highly specialized class can be strong in this intellectual quality because of the intellectual isolation incident to specialization; and yet administration, or generalization, is not only the faculty upon which social stability rests, but is, possibly, the highest faculty of the human mind.

This quality is, of course, desirable in all administrative officials; in general-staff personnel it is vital.

General-staff personnel should also be self-effacing. They should be unambitious in a narrow personal sense but thoroughly ambitious to get the job well done, to get problems solved and results achieved. They have no authority of their own except the authority of ideas, which depends upon their competence and their effectiveness in winning consent. Final authority must remain in the Secretary, who can no more divest himself of authority than he can free himself from responsibility. Direct authority in the general staff would therefore represent an unjustifiable delegation by the Secretary or an usurpation of the Secretary's authority by the staff. Subordinates would resent and probably obstruct such action.²¹

²¹Raymond Moley, in *After Seven Years* (New York: Harper & Brothers, 1939), describes the unsatisfactory relationship between himself and the President and the departments and other agencies. Anticipating a post in the State Department, he says (p. 115): "No Secretary of any department was likely to be overjoyed at having an Assistant who saw the President more often than he, who knew the President's mind better, and who was asked to handle matters of which the Secretary knew nothing. But to house me, who would do well enough as a symbol of the new order, with the living embodiment of what the New Deal was not would be tempting providence."

Mr. Moley discusses the difficulty of getting the President to define his duties clearly and positively in order that his position might be understood and recognized. Perhaps it would have been more appropriate and more advantageous both to himself and to the President had the relationship between them, rather than the duties, been defined. Mr. Moley states (p. 166): "In addition to two major assignments in the field of foreign relations, I had a roving commission to watch over the formulation of legislation, to unravel the snarls that delayed that formulative process, to cull out of the thousand and one schemes that came pouring into Washington the few that deserved presidential examination, to work up the basic material for F. D. R.'s speeches and messages with the appropriate officials, to assume the literary role after these preparatory chores were done, to be on hand when there were such special headaches as the Thomas amendment revision to be handled, and, with Louis Howe, to 'sit on the lid' when some of Roosevelt's less happy impulses threatened to break loose. But, in the execution of these jobs, I was subject to the constant risk of disavowal or repudiation by Roosevelt. I was utterly dependent on his mood, his whim, his state of mind." If his position had been clearly that of a general-staff officer, such confusion of authority should not have arisen. It should have been clear that authority was and should be exclusively in the President. Mr. Moley's strength and value would have been enhanced tremendously by understanding of, and action according to, such a relationship.

barrassments.

A third important qualification of a good staff man is that he like people. This is not an absolute requirement and may be offset by excellence at other points; but it is always desirable and valuable, and certainly he must not dislike people. With such a trait one finds it easier to get along with and win the confidence of others. We do not refer to superficialities but to a deep, though discriminating, affection toward others. Based upon sincerity and understanding, it smoothes the way to winning consent. General-staff personnel must respond generally to all sorts and all conditions of men.

Staff men should be well known or have the ability quickly to become integral to the Department so that jealousy of an outsider will be avoided; they should be capable of applying their knowledge and capacities to the Department. Whether they have had departmental or even governmental experience, they must have a "sense of government." They should be able to fit themselves into the governmental system, and they should understand and appreciate that system. In private business a man who carries his records "in his hat" may be held in esteem, but in government such a method would inevitably bring the individual and his organization into difficulties and em-

In addition to these special qualifications and others that might be added, a good general-staff man should possess something more, a certain "plus" that is as real as it is intangible. No single word adequately describes this quality. Integrity connotes much of the content, if integrity is thought of in a positive sense and as being based on wisdom. It is the quality that insures the public interest in governmental action and is present only in those who have a real understanding of the public interest. It derives, therefore, from real ability, wide knowledge, and firsthand experience. It is the absence of this quality that gave rise to Lloyd George's attack upon the staff work preceding the battle of Passchendaele:²²

The General Officer who prepared the plans for attack after attack across kilometres of untraversible quagmire, and the general who had control of what was by a strange irony called "intelligence," and whose business it was to sift all the information that came in and to prepare the reports upon which plans were based, never themselves got near enough to see what it was like. They worked on the basis of optimistic reports in the shelter of a remote chateau. . . . At Waterloo, Napoleon and Wellington could see the whole battlefield with their eyes, and with the help of field glasses almost every hump and hollow. But in

²² War Memoirs (Boston: Little, Brown & Company, 1933), Vol. IV, pp. 421, 424.

modern warfare, the more important the general, the less he feels it to be his duty to see for himself what the battlefield is like.

Thus G.H.Q. never witnessed, not even through a telescope, the attacks it ordained, except on carefully prepared charts where the advancing battalions were represented by the pencil which marched with ease across swamps and marked lines of triumphant progress without the loss of a single point.

Such dangers of faulty staff work can be overcome if the staff man will go out "to see for himself what the battlefield is like." He cannot otherwise possess the integrity so vital to his effectiveness. In the Department the battlefront might be a region, a problem area, or a farm; furthermore, the Department operated simultaneously on many fronts and in collaboration with other agencies.²³ The responsibility of the general staff is great; it must be possessed of commensurate ability and integrity.

STRUCTURE OF THE GENERAL STAFF

The identification of the Department's general staff during this study was peculiarly difficult. In addition to those who served regularly in a general-staff capacity and, hence, were readily discernible, were those who participated less directly. Line officials, for example, might, in addition to their regular responsibilities, be called upon to render special service on policy, planning, organization, or other matters for the Secretary. Because the relationship of general-staff personnel to the Secretary was one of great intimacy, those who did not hold official staff positions were not always distinguishable. It was possible, however, to spell out the general structure of the staff.²⁴

Assistant Secretary and Under Secretary

The post of Assistant Secretary of Agriculture was created in 1889 by the act that raised the Department to the status of an executive de-

scientific men and general executives could be given staff assignments for limited periods. General-staff personnel might be sent into the field to study the impact of the Department's work in a region. Representatives from all departments having a common front in a region might be sent as a group with instructions to bring back a program—drafted with state officials concerned—for the region. It should be a part of their training process to see with their own eyes, in company with personnel from other departments with whom they must get an emotional as well as an intellectual understanding, what a total united attack on a region might be.

a region might be.

24 Appropriation acts for the Department treated the Office of the Secretary as a separate unit. This treatment was more a recognition of a departmental general staff than a definite portrayal of its organization. Offices of Budget and Finance, Personnel, and Operations, which we classified as auxiliary services, were included in the Secretary's Office,

partment.²⁵ It was not until March, 1934, that the position of Under Secretary of Agriculture was established.²⁶ Appointments to both positions were made by the President "by and with the advice and consent of the Senate." No precise definition of duties for these positions existed in 1939 either by statute²⁷ or usage. More than any other thing, it was the personal qualifications of the individual that determined his area of activities. It was a reflection of the Department's special relations to state institutions that a majority of the assistant secretaries and one of the under secretaries had had background affiliations either with land-grant colleges, state extension services, or experiment stations. For this reason purely partisan considerations played only a minor part in the selection of these officials who usually had the duty of maintaining friendly relations with state and local interests.

In 1939 neither the Assistant Secretary nor the Under Secretary nor both together had general responsibility for all the work of the Department. The Assistant Secretary was helpful in keeping in touch with the Capitol and in following the course of departmental matters through Congress as closely as possible; he had been delegated to perform certain regulatory functions of the Secretary. Under Secretary Wilson was active in interdepartmental relations; he was, for example, a member of the Land Committee of the National Resources Committee and of the President's Interdepartmental Committee to Coordinate Health and Welfare Activities.²⁸ By executive order of the President,²⁹ the Under Secretary was authorized and directed "to perform the duties of the Secretary of Agriculture." The Assistant Secretary, who had previously been so designated, was now authorized "to perform the duties of the Secretary of Agriculture during the absence or sickness of both the

though other later established services were treated separately. Within the Department "Office of the Secretary" took on an added symbolism comparable, in a sense, to "The Crown."

²⁵ 25 Stat. L. 659. ²⁸ 48 Stat. L. 467.

²⁷The Assistant Secretary "shall perform such duties as may be required by law or prescribed by the Secretary." (25 Stat. L. 659.) The position of Under Secretary was created by an appropriation act without any definition of responsibility. Subsequently Public Resolution No. 18, 76th Cong., approved June 5, 1939, declared "that the Under Secretary of Agriculture is authorized to exercise the functions and perform the duties of the first assistant of the Secretary of Agriculture . . . and shall perform such other duties as may be required by law or prescribed by the Secretary of Agriculture."

²⁸Mr. Wilson was formerly the only member of an executive department to attend the conferences with James Roosevelt, established to bring the independent agencies into working relations with the White House.

²⁹ No. 7465, October 6, 1936.

Secretary of Agriculture and the Under Secretary of Agriculture."30 The subsequent legislative authorization³¹ to the Secretary to prescribe the duties of the Under Secretary made it possible to delegate to the latter regulatory functions of the Secretary to be performed whether or not the Secretary were "absent."

The more general duties of the Assistant Secretary and of the Under Secretary were determined by the regions from which they came, their background, and their special interests.³² Mr. Brown, for example, came to the Department from Georgia, where he had been director of the Extension Service following a long career in extension work. It was logical, therefore, that he should be relied upon in matters concerning the South and particularly cotton. As Under Secretary, Milburn L. Wilson represented the Northern Great Plains, having been active in farming and extension work in South Dakota, Iowa, and Montana, professor of farm economics at Montana State College, and manager of large farms in the region.³³ Between 1924 and 1926 he was in charge of the Division of Farm Management and Costs in the B.A.E.; later he helped formulate the basis of the original Agricultural Adjustment Act; became a commodity administrator under the Act; and, in 1933, took charge of the subsistence homesteads program. His counsel and aid were sought on matters affecting the Northern Great Plains, particularly wheat. Deeply interested in soil conservation, subsistence homesteads, and "democracy in agricultural administration," he was active in these fields. His interests were, in fact, Departmentwide; his success in stimulating original thinking and constructive effort at many points demonstrated the value of bringing to the Department political members who were qualified to inject freshness and imagination in matters that tended to become too routinized.34

^{30 &}quot;It has been the informal view of this office that the Secretary may be viewed as 'absent' when absent from the building so as not to be available for the discharge of immediate duties. This view would seem to carry out the thought of the court in Ex parte Tsui Shee, supra, in that the Secretary should be viewed as absent if not at his desk and not performing the duties of his office, even though he may be in Washington." U. S. Department of Agriculture, Office of the Solicitor, Opinion 1023, December 23, 1938

⁽mimeo.), p. 3156.

The See above, p. 302, n. 27.

Although the Under Secretary and the Assistant Secretary devoted most of their secretary devoted most of appearing the secretary and the Assistant Secretary devoted most of appearing the secretary devoted most of their secretary devoted most of appearing devoted most of their secretary devoted most time, particularly speaking engagements, to their regions, they made a point of appearing

in different sections of the country in order to become familiar with and to circulate the various regional viewpoints.

See Russell Lord, Men of Earth (1932), pp. 280-89, for an excellent brief account of M. L. Wilson's connection with the Fairway Farms.

M. L. Wilson, for example, took an active interest in the Department's Graduate School. He inspired and organized lecture series on such subjects as democracy, administration and the history and philosophy of the property tration, and the history and philosophy of science, which were widely attended. But more,

Both the Assistant Secretary and the Under Secretary sought to maintain and to strengthen relations between the Department and state landgrant colleges, extension services, and experiment stations. This task mounted in importance with the emergence of new programs and direct lines of administration. Both diverted to themselves many would-be callers on the Secretary.

Aside from special delegations of authority, there was no clear classification of the duties of the Assistant Secretary or of the Under Secretary; furthermore, there was no definite functional line of demarcation between their spheres of activities. They were the political party members of the general staff, appointed by the President subject to confirmation by the Senate; they reflected regional interests and special backgrounds and served the Department according to their individual equipment.

The Secretariat

Closest to the center of the general staff were the four Assistants to the Secretary; they were his personal aides. To reach the desk of the Secretary one must pass through two outer offices, the first containing the desks of three of the Assistants, the other containing the desk of the fourth. The Assistants' relationship to the Secretary himself was as close as this physical proximity. For all practical purposes every visitor to the Secretary must pass under the scrutiny of his Assistants, and every paper or other matter directed to the Secretary must first clear their desks. The Assistants gave final clearance to all matters that reached the Secretary and first impetus to those that left his desk.

The intimacy between the Assistants and the Secretary at the time of this study was further exemplified by the fact that two of the four had been personal friends of Secretary Wallace prior to 1933. Paul H. Appleby, whose desk was closest to the Secretary, had been an editorial writer on the Des Moines Register and Tribune, where he became personally acquainted with Henry A. Wallace. He came to the Department in 1933 at the request of the Secretary for a temporary period but remained. James D. LeCron, who was also affiliated with the Des

he sought, through the device of seminars in his office following each lecture and attended by the lecturer as well as a representative group of departmental personnel, to relate each series to departmental problems. At the close of the series given during the spring of 1939 on the History and Philosophy of Science and the Place of Science in Democracy, Mr. Wilson appointed a committee "to see what place the history of science should have in connection with the national programs of the Department of Agriculture and with the future courses of the Department's Graduate School." He also initiated a series of field trips as a means of bringing representative departmental personnel into intimate contact with regional land problems and with representatives of state agencies.

Moines Register and Tribune, joined the staff in the fall of 1933. He was an old friend both of Mr. Appleby and of the Secretary and had, in fact, gone for a walk with Mr. Wallace on the day the invitation to join the Cabinet arrived. Mr. LeCron was recruited, at Mr. Appleby's suggestion, to satisfy the need for additional assistance in the Secretary's Office as work continued to pile up. Earlier in the year Mr. Appleby had brought in C. B. Baldwin. While Messrs. Appleby and LeCron served continuously under Secretary Wallace, the third post was held successively by C. B. Baldwin, Milo Perkins, R. M. Evans, and James L. McCamy, Milo Perkins succeeded Mr. Baldwin when the latter went to the Resettlement Administration as Assistant Administrator. Following the transfer of the Resettlement Administration to the Department and its incorporation into the newly organized F.S.A., Mr. Perkins joined Mr. Baldwin as an Assistant Administrator. 35 R. M. Evans then served as Assistant to the Secretary until, in the departmental reorganization of 1938, he became Administrator of the A.A.A. James L. McCamy, professor of government and chairman of social studies at Bennington College, was named Assistant to the Secretary on February 1, 1939. 36 Leon O. Wolcott was appointed in September, 1939, and raised the number of Assistants to four.

There was little differentiation or specialization of the duties of each Assistant: effort was made to have all four share in all business. Pertinent telephone conversations of each, for example, were summarized in typed notes by the office secretaries and circulated to the others. Each Assistant tried to keep the others advised of important items that came to his attention and to confer on action when there was time. The close physical proximity of the Assistants' desks enhanced this collegial arrangement.³⁷ Each Assistant operated generally on the whole departmental front. Any of them might be called upon in any matter.

³⁵In 1939 Mr. Perkins was Associate Administrator of the A.A.A. in charge of marketing agreement programs and, simultaneously, President of the F.S.C.C.

³⁶It should be noted that Mr. McCamy and Mr. Wolcott had had newspaper experience. It is interesting and perhaps significant that many holding administrative posts in the Department had had such experience, Roy F. Hendrickson, Director of Personnel, and Milton Eisenhower being outstanding examples.

Assistants not so close together. The usefulness of other general-staff people was restricted because of the physical separateness of their offices, and the apparent need for more aid close to the Secretary remained unsatisfied partly because of limited space close to the Secretary remained unsatisfied partly because of limited space close to the Secretary. Although not in the same office, other members of the general staff were located near by: the Under Secretary, the Assistant Secretary, the Land Use Coordinator, and most of the special aides were on the second or third floors of the Administration Building where the Secretary's office was located. The Directors of Finance, Personnel, Information, and Plant and Operations also had offices in the Administration Building.

Each considered all propositions in the light of the complete departmental policy. No interference in the flow of business resulted from the absence of one or more. It is questionable that these advantages would have existed if each Assistant operated within sharply defined areas.

Despite efforts toward complete collegiality, there developed some specialization,³⁸ if not differentiation, in the duties of the Assistants.³⁹ The personality and interests of each made for some specialization of duties, which was furthered by the continued increase in business and work pressure.⁴⁰ Milo Perkins, for example, because of his highly successful experience in a business that involved large speculative transactions, was assigned to problems connected with the A.A.A. After Mr. Perkins' transfer to the F.S.A. Mr. Evans was brought in to give attention to the A.A.A. Mr. Appleby assumed responsibility for the complex and difficult problems of administrative organization; he worked upon Congressional matters and with other departments and agencies; and he was closest to the Secretary on personal and political affairs.

Mr. LeCron, because of his interests, took particular charge of matters affecting forestry and conservation; he was responsible for the arrangement of the Secretary's speaking engagements and for public statements issued by the Secretary; he also concerned himself with disciplinary problems in the Department. Thus, although some specialization of duties existed, it did not indicate a delimitation of the Assistants' services. The Assistants were, in a sense, extensions of the Secretary's personality, and the scope of their activities was coterminous with that of the Secretary himself. They addressed themselves, therefore, to the Department's function with emphasis upon generalization rather than upon specialization in the handling of myriad details.

Of all the general-staff members the Assistants were closest to the Secretary and exercised the broadest duties. Perhaps it would be better to say that they constituted the Secretary's general staff, or the Secretariat, while they, plus the other members, comprised the Department's

³⁸It should be noted that two aides were added in 1939 with relatively special duties, although reporting to Mr. Appleby rather than to the Secretary and located, because of limited space, outside the main offices.

⁸⁰Immediately after the outbreak of war in Europe in 1939 the Secretary named an advisory council composed of representatives of farm, labor, manufacturing, and retail organizations that would consult with the Secretary on problems affecting agriculture growing out of the war. One Assistant devoted his time largely to this council and to war problems.

⁴⁰The mutual participation in all work was particularly jeopardized by the swell of business during sessions of Congress. Mr. Haldane's remark was pertinent that departments were underofficered at the staff level.

general staff. They would have to be considered, however, as more than a part: they were, collectively, chief of staff. Thus, they performed a dual role. Further refinements would even reveal Paul Appleby at the apex of the inner group and, hence, of the whole. Serving this dual staff role, Mr. Appleby individually (or the four Assistants collectively) was not less than, but, we believe, different from, the general manager of the Department.⁴¹ There is no universal characteristic of the role of general manager, but the very use of the term evidences that this position is different from that of the chief executive; at the same time, it is clear that it is one of authority. The Secretariat was a concomitant of the chief executive of the Department, with no direct authority of its own.

In addition to the matters flowing to the Secretary from within the Department, the Assistants addressed themselves to all external relations: the Congress, the President, other national agencies, interest groups, the party, and the general public. Daily mail was voluminous and demanded careful attention not only to satisfy the writer but also because it might contain valuable suggestions or criticisms of policy or administration that warranted exploration. The answer to a single letter might require the participation of several agencies; the Secretariat must follow through to see that the answer was prepared expeditiously and according to departmental policy if any were involved. Visitors must be given consideration and, whenever desirable, diverted from the Secretary. 42 Consultations on policy were fairly continuous and frequently involved conferences with other staff personnel, with operating officials, or with people outside the Department. Organization problems were frequent, complex and time-consuming, but vitally important. In short, the Assistants acted as a predigestive organ for all matters of concern to the Secretary.

Obviously, four Assistants could not perform all the tasks that warranted their attention. Many decisions must be made by them alone in the name of the Secretary and frequently at the risk (a risk reduced only by their personal competence and integrity) of inadequate information or study. The two aides under Mr. Appleby absorbed some of the details but there remained much that must be assigned to others. An additional responsibility of this group, therefore, was to apportion mat-

⁴¹Mr. W. A. Jump, Director of Finance, came closest to serving the role of general manager by virtue of his position and personal competence. Roy F. Hendrickson, Director of Personnel, and Milton Eisenhower, Director of Information, Land Use Coordinator, and Chairman of the Program Planning Board, might be added to form a collective managership. See Macmahon and Millett, op. cit., pp. 31–34, for a discussion of the Assistants as constituting a collective managership; also passim, for important material on general-staff and auxiliary services.

⁴²Appointments consumed four or five hours of the Secretary's day in Washington.

ters to other members of the general staff according to their positions and personal equipment.

Special Advisory Aides

Another group that served with the general staff consisted of the special advisory aides: the Special Assistant; the Economic Adviser to the Secretary; the Scientific Aide to the Secretary; and the Special Adviser to the Secretary. The Special Assistant had been in charge of the political appointments in the Department, a position of great importance with new agencies, such as the A.A.A. and the F.S.A., exempt from civil service. The job was to satisfy Congressional demands for patronage and simultaneously the Department's requirements of competence. Relieving the Secretary of this important task constituted a genuine and important staff service. 43 The Economic Adviser and the Scientific Aide44 served in their fields, though the Scientific Aide was assigned also to nonscientific problems. The Special Adviser, Mr. Stockberger, former Director of Personnel and pioneer in that work, became a consultant on personnel problems. These by no means comprised a collegial group, nor was there uniformity in the extent or continuity of their staff activities, which in fact depended largely upon the number of problems arising to which each was especially adapted. 45 All, however, held posts that were general staff in nature-posts created and filled by the Secretary as the need and availability of particular individuals arose.

SUPPLEMENTAL PERSONNEL

We turn now to personnel who were not full-time staff members and who did not hold positions definable as exclusively staff in nature but who performed, nevertheless, important staff functions. Directors of the Offices of Budget and Finance, Research, Extension, Personnel, and Information, and the Solicitor were heads not only of auxiliary services

⁴⁸The handling of patronage was guided by the following principle: All positions of administrative responsibility and of a professional or technical nature were filled by the bureau chief; other positions were filled from various lists: positions in Washington or of general national significance, from lists supplied by senators or members of the Democratic National Committee; positions of state-wide importance, from lists supplied by a senator or the chairman of the State Democratic Committee; and local positions, from lists supplied by the Congressman from the district. It is significant that political nominees were given examinations by the recruiting agencies before appointments were made.

⁴⁴ For a discussion of advisory aides see Macmahon and Millett, op. cit.
⁴⁵ Members of this group appeared frequently on special committees.

but also, as individuals, were advisers and aides to the Secretary. 46 They were advisers and aides by virtue of the positions they heldpositions with important controls over departmental activities—as well as of their personal qualities.⁴⁷ It may be said that their positions were so important to the management, organization, and even policy of the Department that unless they had the personal qualities appropriate to staff service under the Secretary, the proper performance of the Secretary's job would demand changes in personnel. At the same time, a large measure of their value to the Secretary rested upon their experience in, and knowledge of, the Department. Thus, the qualities of integrity and wisdom were of utmost importance in those who held these vital posts. In a sense they served a dual role, but they could not properly serve either exclusively.

The Director of Marketing and Regulatory Work, the Director of Foreign Agricultural Relations, and the Land Use Coordinator were also members of the general staff. All were relatively new posts in the Department and perhaps had not reached a stability characteristic of other offices, but by intent and performance they should be included in the general staff of 1939. The Land Use Coordinator, originally designated as Coordinator of Land Use Planning, was named by the Secretary on July 12, 1937, 48 to approach consciously the problem of integrating the application of programs directly affecting land utilization. The Office of Land Use Coordination, to the extent that it reviewed, initiated, and established standards for all survey work related to land use, performed an auxiliary service, but primarily its duties were general staff.49 The Office of Marketing and Regulatory Work was created in the reorganization of the Department in October, 1938; it reflected not only a long-felt need for central direction of the regulatory activities of the Department⁵⁰ but also an acknowledgment of the need for integration and coordination of the Department's marketing and distribution programs. The Director of Marketing and Regulatory

⁴⁶ Selected individuals, other than the Directors, might be given special assignments under the Secretary, such as the organization of the Yearbook or work on the Secretary's Annual Report. See p. 317, for a definition of "auxiliary services."

47 The Director of Research actually held two posts: he was also Chief of the Office

of Experiment Stations.

⁴⁸Milton Eisenhower, who held this position from its creation, was and continued to be, Director of Information. For a discussion of the origin of the post see U. S. Congress. House. Subcommittee of House Committee on Appropriations. Hearings on the Agricul-

tural Department Appropriation Bill for 1939, pp. 3-5, 87.

49 The functions of the Office of Land Use Coordination were redefined in Secretary's Memorandum No. 814, reproduced in Appendix B, at page 475.

60 It will be recalled that a Director of Regulatory Work was appointed in the twenties, but the office was later abolished at the suggestion of the Director.

Work was responsible for coordinating the activities of the F.S.C.C., the Commodity Exchange Administration, the Sugar Administration, the Marketing and Marketing Agreements Division of the A.A.A., and the Agricultural Marketing Service.

The status of the Office of Marketing and Regulatory Work was anomalous: it was not entirely general staff or entirely line. A. G. Black,⁵¹ Director, served the Secretary intimately on various matters that might or might not be related to the defined duties of his Office. At the same time, the Office had a measure of authority over designated agencies, though the precise nature of that authority was not clearly determined. The need for substantial staff work in the cluster of marketing and distribution activities was clear, but whether this Office would serve that or some other purpose remained for the future: it might develop increasingly important staff functions; it might become an auxiliary service applying standards of procedure; or, indeed, it might acquire specific line authority. The Office of Foreign Agricultural Relations was exclusively general staff. The Office was established on July 1, 1939, simultaneously with the transfer of the Foreign Agricultural Service to the Department of State pursuant to the President's Reorganization Plan No. 2. The Office of Foreign Agricultural Relations was the foreign office for Agriculture.

Another group of part-time members of the general staff was drawn from the operating agencies. They too served a dual role: in their regular posts they had line authority and responsibility; as general-staff consultants they had no official position. The extent of their participation in general-staff matters varied: some might be called upon regularly for general consultation; others might serve only in special instances and on particular problems. Most important, the Secretary could draw upon outstanding people throughout the Department for assistance and counsel and had the legal authority to detail persons to his office as the need arose.⁵² Louis H. Bean, for example, Economic Adviser to the A.A.A. and later attached to the B.A.E., was as close to the general staff on economic matters as the Economic Adviser to the Secretary.⁵³ Bureau chiefs and other line officials with particular knowledge and ability, who were generalists in addition to being specialists and who had personal relations with the Secretary, were drafted to act as general-staff aides.

⁶³ In December, 1939, he was appointed Acting Governor of the F.C.A. in the move to tie the F.C.A. to the Department for policy.

⁵²³⁴ Stat. L. 1280. 53They were in the same office.

Individuals might be, and were, asked for help in matters ranging from simple factual questions to the broadest policy determination. Those who prepared the letters, the legal dockets, the special and general memoranda, the reports and findings were all truly staff aides.⁵⁴ Some friends outside the Department were called by the Secretary at times for advice and aid comparable to that given by the general staff.

In addition to the informal participation of selected individuals in staff matters, there was the widely used special technique of departmental committees. These committees—some temporary, some permanent—were formally constituted supplementary general-staff implements. Ranging in scope of function from advising on plant nomenclature to studying, appraising, and recommending on agricultural labor, rural housing, the Graduate School, and departmental coordination, committees served to collect information on special or general problems.⁵⁵ Committees were relatively flexible; they might be created or terminated, and memberships might be increased or changed, at the will of the Secretary. They permitted the use of a great number of personnel who, reporting through their chairmen, usually in writing, brought wide experience and extensive study into relatively brief compass for the attention of the Secretary and his immediate assistants. Without the responsibility of direct supervision the general staff was thereby greatly augmented. At the same time, however, there was always the danger that committee work would cost more in time and distraction from regular activities than the benefits would justify.

Bureau of Agricultural Economics and Agricultural Program Board

Two important components of the general staff remain to be considered: the B.A.E. and the Agricultural Program Board. The latter was created, the former reconstituted, in the departmental reorganization of October, 1938. The B.A.E., stripped of the operating functions assigned to it over a period of years, became the central planning agency of the Department, "subject to the general supervision and direction of the Secretary of Agriculture." B.A.E. planning was Department-wide

⁵⁵See Appendix C, at page 479, below for data on representative committees. Departmental committees serving general-staff functions should be distinguished from the great number of interbureau committees concerned with joint operating projects.

⁵⁶See Secretary's Memorandum No. 782, reproduced below in Appendix B, at page 465. See also the hearings on the Agricultural Appropriation Bill for 1940, pp. 860-79.

⁵⁴ Another example was E. C. Auchter, Chief of the Bureau of Plant Industry, a scientist and a specialist but also a generalist who in his paper, "The Interrelation of Soils and Plant, Animal and Human Nutrition," *Science*, May 12, 1939, pp. 421–27, indicates the broader forces that transcend a number of sciences and interrelated subject matters.

and national, calculated to guide the integration of all related activities, in contrast to special operations planning, which remained with the line agency.⁵⁷ To facilitate and to democratize its planning efforts, an interesting and significant structure of state, county, and local agricultural planning units was organized with memberships embracing national, state, and local officials as well as farmers. Thus, the B.A.E. was at the convergence of vertical lines running to the land, but lines that were crossed at different areal levels—regional, state, county, local—by horizontal lines of coordination.⁵⁸

The plans and programs developed by the B.A.E. were subject to review and appraisal by the Agricultural Program Board.⁵⁹ With its membership including the Chief of the B.A.E., directors of several auxiliary services, and chiefs of selected bureaus, the Board examined all plans "especially in the light of administrative feasibility and practicability" before they were presented to the Secretary for his approval.⁶⁰ Through this procedure representatives of different bureaus had a voice in plans or programs that affected them directly or indirectly, and differences might be harmonized before action was initiated. This was a convenient device, but it had the inherent danger of rendering programs innocuous or confused through compromises.

The Board might serve another function. The Secretary at times assigned to it difficult internal matters to which he could not give the time and attention requested and about which a decision was impossible without driving a wedge between different agencies or arousing the suspicion or antagonism of certain groups. The zealous head of an activity might propose alterations of policy or organization that had the potential support of outside interest groups but that also involved drastic deviations from accepted policy and shifts of emphasis by one or more operating agencies. The Secretary, wishing to avoid, or at least postpone, a decision and unable to give his time to the flow of arguments and petitions, might turn the whole matter over to the Program Board. Thus, the Board might become a buffer between the Secretary and the line in special instances. This buffer activity was a legitimate function so long as the Secretary himself determined when the Board would be so used; the Board should not act as a buffer on its own initiative.

⁵⁷The demarcation between general and operations planning, when not clearly defined, left a zone in which the B.A.E. and the operating agency might overlap or compete.

⁵⁸See above, pp. 149–59.

⁵⁹See Secretary's Memorandum No. 786, reproduced below in Appendix B, at page 473.

⁵⁰ See Socretary's Memorandum No. 786, reproduced below in Appendix B, at page 473. ⁶⁰ The Agricultural Program Board assumed some of the functions previously exercised by the Coordination Committee and some of the functions of the Liaison Committee of the Office of Land Use Coordination.

GENERAL-STAFF DEVELOPMENT

It is clear that the general staff's structure was elaborate and extensive. The Under Secretary, Assistant Secretary, Secretariat, auxiliary and line members, special advisers, committees, boards, and a whole bureau added up to great proportions. Still others might be included. Under Secretary Wilson, for example, had several persons in the Department who worked and consulted with him on various matters and who, through him, made valuable contributions to the top. Furthermore, persons in the Department who were most severe in appraising its administration said that there was need for even more extensive work of a general-staff nature.

The development of the departmental general staff in such proportions was the logical and necessary result of the scope, multiplicity, and interrelationships of the responsibilities of the Department and the complex national and world system within which it must operate. We have noted that the first real efforts toward a departmental general staff were made under Secretary Houston, 61 an economist, who saw the impact of economics upon agriculture and recognized the need for studying these forces in the light of agricultural policy and programs. The new programs of the New Deal and the increased awareness, because of previous research, of interrelationships between programs within and outside the Department and more dramatic evidence of technological and financial pressures brought increased attention to the need for an extended development of a general staff. Specialization and division of labor increased as new programs were undertaken; only thus could the job be done at all. Yet the more definitive the division of labor, the more important the need for central controls that would insure efficiency and integration. But the greater the need for integration, the greater the difficulty of effecting it, particularly in an organization as complex and intimately concerned with the fabric of our national life as the Department of Agriculture. 62 The general staff, then, must reflect the complexity of the Department's function; though its structure might alter, its task would remain as important as the job to be done, and its size would have to be commensurate therewith.

61 See above, p. 275.

⁶² It is not size alone or the division of labor that presents the ultimate difficulties. Important as both are in contributing to the problem, it is the relative complexity of the task of relating various programs into a common front that adds most to the difficulty. The Post Office Department is one of the largest in terms of personnel, and its efficiency is characterized by a division of labor, yet it remains, because of singleness of purpose, relatively simple in administration.

The Efficiency of an Elaborate General Staff

One may ask whether a general staff as elaborate as that of the Department is, or can be, efficient. Ultimately the findings, recommendations, and plans of general-staff units must clear through the Secretariat to the Secretary for action or determination. Was it possible for the Secretary, with his immediate assistants, to give attention to these multiple staff officials without becoming involved in problems of general-staff integration—an involvement that would cut into their already limited time and energy? This question is one that the general staff itself should constantly raise and determine.

Only the general staff was fully aware of the impact upon it of the problems, decisions, and general stream of work that arose in the complexity of departmental activities and flowed toward the center. If the impact at the center was so great that effective direction was impaired, analysis must then be directed to the roots of the Department's complexity. We have noted earlier that the size of the general staff was limited to the span of attention at the center; at the same time the job and size of the staff reflected the complexity of the Department. Relief at the center, therefore, might be possible only by the separation from the Department of activities that added confusion but were not so integrally related to primary functions that they could not be successfully administered elsewhere. Similarly, the general staff should test suggestions for additional activities by its own capacity to assume the necessarily increased responsibilities. Perhaps the question of the optimum size of an organization can be answered in terms of the organization's pressure on its general staff.

Simplification and reduction in size were not the only possibilities for relieving pressure at the center. In reality, the difficulties involved in effecting reallocations of governmental programs made these remedies unreliable. Perhaps the greatest opportunity for implementing the work of the departmental general staff lay in the strengthening of staff services among the agencies with which the departmental staff was concerned, including operating agencies within the Department, other departments, the President's office, and the Congress. Competent staff work at these points facilitated relationships, encouraged effective coordination, and reduced the burden on the departmental staff. Staff work was already being done in many agencies but with wide variations in the fulfillment of the total job. Inadequate staff work of any agency placed an increased burden on the staffs of all agencies the functions of which were related. To the extent that staff work could be improved

among related units, the effectiveness of the departmental staff might be increased.

Relationships with Operating Bureaus

Fundamentally the effectiveness of the departmental staff depended upon the applicability of its efforts to the operating agencies—an effectiveness enhanced by the capacity of the bureaus to impress careful and intelligent consideration upon the preparation of programs, priorities, administrative orders, and plans of operation and organization in the light of the cluster of activities of which the particular operating unit was a part and in the light of the facilities already available. Failure of a line agency to integrate its activities with those of other bureaus, particularly in related fields, placed the burden of integration upon the departmental staff. This task was not merely a shift of work from one agency to another: it became infinitely more complex at the departmental level. A bureau staff is effective before decisions are consummated: the departmental staff frequently learns of important line plans only after they have been formulated. It is usually too late then to do more than effect compromises.

When a line bureau initiated direct negotiations with agencies outside the Department, such as the Congress or the General Accounting Office, and neglected to clear through the departmental general staff, the only safeguard against serious deviations from departmental policy, in lieu of strict departmental controls, was the quality of responsible bureau personnel. The operating agency must meet its responsibility for careful staff work if it was to meet its responsibility to the Department, to the Congress, and to the public. It was significant that three important operating officials—Messrs. Evans, Perkins, and Baldwin—were former members of the Secretariat. In their new positions they continued to serve the general staff not only by part-time consultation but, more important, also by relieving the staff of the need for close supervision of their agencies and by injecting into their organizations the spirit and purpose of departmental objectives.

Interrelations with other departments required general-staff competence. Operating agencies of two departments were frequently in agreement about coordinate participation in a problem area. When the effectuation of such coordination required a special interdepartmental agreement, the matter might be held up for months by one Secretary or by both Secretaries. Effective general-staff work should not only avoid such delays but also implement positively the integration of re-

lated efforts. Although the Department's activities clustered about such subjects as land use, marketing, distribution, finance, and rural life, not one of these was the Department's exclusive concern; nor could a complete job be done in any of these fields unless the facilities of other departments were integrated. The departmental staff must address itself to the interrelationships in each nucleus of activities, but its success was dependent upon comparable efforts in other departments and independent agencies.

Final executive responsibility for departmental operations was in the President. One important responsibility of a Secretary was to report to the President on the programs under his jurisdiction; and the departmental staff must seek constantly to relate the Department's programs and policies to the President's programs and policies. Cabinet meetings afforded opportunities to discuss interdepartmental relationships of different programs, but these efforts should be facilitated by adequate general-staff facilities under the President. The National Resources Planning Board was an important step toward the improvement of central direction by the Chief Executive, whose authorized six assistants should materially strengthen such direction. Increased competence and effectiveness at this point would provide for the departments that facilitation which the departmental staff offers the bureaus.



We have seen that the task of the departmental general staff was, in the light of the Department's function, almost insuperable. At the same time, we have emphasized that its work was, or should be, supplemented by the general staffs of operating agencies within the Department, of other departments, and of the President. An extension of competent staff work in all levels would materially reduce the pressure on the departmental staff.

CHAPTER 16

AUXILIARY SERVICES OF THE DEPARTMENT

TITH THE GROWTH in an organization's line agencies, activities, equipment, and housing requirements, and in the complexity of its operations generally, the task of its head becomes increasingly difficult. The head of a department in the national government has many responsibilities prescribed by statute, some of which are generally applicable to the heads of all departments, others of which are peculiar to his own post. He must, therefore, control his line agencies in the light of these responsibilities. Again, as the line agencies expand, some of their management problems become quantitatively great and require specialized and technical treatment. Of these problems, those that are common to several line agencies and susceptible of common treatment may economically be handled by officials whose whole attention may be devoted to them. These officials are, therefore, aides in two directions: they assist not only the department head in exercising his responsibility of control but also the line agencies. Hence, we employ the term "auxiliary services" as most descriptive of their work.²

Officials in charge of these services will, during their activity, build up a body of experience on fundamental problems of management that will be of great value in the planning of future programs. They will probably be called upon to advise the department head in the formulation of department policies; hence, they may properly be thought of as constituting a pool from which they may be drawn for general-staff

²Other terms employed to designate these services are "technical staff services," "house-keeping services," "process agencies," "functional units," "management agencies." Mr. White defines them as "agencies whose function is to perform a common activity enabling the line agencies to maintain themselves as working organizations."

¹See Leonard D. White, op. cit., especially pp. 73–82, 98–102, and 201–461, and Gaus, "A Theory of Organization," in Gaus, White, and Dimock, op. cit.; see also Arthur Macmahon, "Departmental Management," in Report (With Special Studies) of the President's Committee on Administrative Management, pp. 247–79. For an extended discussion of this question, see Macmahon and Millett, op. cit., especially chaps. i–v; comments particularly relevant to what we term the auxiliary services will be found on pp. 4, 5, 8, and 15; on pp. 47–51 is a discussion of the role played in the Department of Agriculture by the Directors of Budget and Finance, of Personnel, and the Chief of the Division of Operations; on pp. 65–76, the function of the "supervisory aides" in the Department of Agriculture. We have not followed the terminology of Messrs. Macmahon and Millett but use rather the terms "general staff" and "auxiliary services" as employed by Leonard D. White.

work as occasion warrants. The chief of an auxiliary service, however, is not necessarily a continuing member of the general staff, whose membership is marked rather by a peculiarity of status and of relationship to the department head. The auxiliary service is a somewhat more formalized continuing service of control and facilitation, based largely upon the delegation by the department head of control duties and partly upon the effective performance of services that facilitate the operation of the line agencies.

The auxiliary services of the Department in 1939 were the Offices of Budget and Finance, Personnel, the Solicitor, Information, and Plant and Operations; the Offices of Land Use Coordination, C.C.C. Activities, Experiment Stations, and the Directors of Extension and Research; the Library; and occasional ad hoc committees.³ Changes in political policy and programs and the factor of personality influenced assignments to general-staff posts. Furthermore, the duties of some of the auxiliary services—notably the Offices of Budget and Finance, Personnel, the Solicitor, and Information and the Directorship of Research—might require general-staff activities by their chiefs.

STATUTORY BASIS AND REGULATIONS

The necessity for the Secretary's employment of aides may be indicated by an enumeration of some of the types of managerial responsibility placed upon him. Under a general authorization he might "prescribe regulations, not inconsistent with law, for the government of his Department, the conduct of its officers and clerks, the distribution and performance of its business, and the custody, use, and preservation of the records, papers, and property appertaining to it." In the field of finance he was to "direct and superintend the expenditure of all money appropriated to the Department and render accounts thereof." He was required to sign requisitions for printing and to "direct whether reports made to them by bureau chiefs and chiefs of divisions shall be printed or not." Furthermore, before any part of printing appropriations might be used for illustrations or engraving in documents or reports the Secretary was required to "certify in a letter transmitting such report that

⁸Until 1939, for example, the Department had a Technical Advisory Board and a Committee on Space; by Memorandum No. 809 (February 27, 1939), the Secretary assigned their functions to the reconstituted Office of Plant and Operations. See Appendix C, below at page 508.

⁴ 17 Stat. L. 283. ⁵ 25 Stat. L. 659.

⁶²⁸ Stat. L. 622.

the illustration is necessary and relates entirely to the transaction of public business."7

The Secretary was given wide authority in making appointments⁸ and efficiency ratings.9 In classifying personnel he was required to "allocate all positions in his department in the District of Columbia to their appropriate grades in the compensation schedules and . . . [to] fix the rate of compensation of each employee thereunder, in accordance with the rules prescribed in section 6 herein."10 The Department's extension activities were to be "carried on in such manner as may be mutually agreed upon by the Secretary of Agriculture and the State agricultural college or colleges receiving the benefits of this Act."11 In the work of the Experiment Stations the Secretary must "furnish forms, as far as practicable, for the tabulation of results of investigation or experiments; to indicate, from time to time, such lines of inquiry as to him shall seem most important; and, in general, to furnish such advice and assistance as will best promote the purposes of this Act."12

In administering these and other responsibilities the Secretary was assisted by the various auxiliary services under procedures laid down in the departmental regulations that he promulgated after their preparation in the Office of Budget and Finance. They comprised a stout looseleaf volume; their extent is indicated by the following table of contents:13

Administrative. Organization, Informational Work, Publications, Annual Reports, Administrative Procedure, Communications, Real Estate, Transportation.

Personnel. Appointments, Duties of Employees, Classification of Positions, Promotions and Demotions, Leave, Reappointments, Transfers, Termination of Services, Investigations.

Fiscal. Accounts and Disbursements, Employment, Purchases, Transportation.

Property. Acquisition of Property, Management of Property, Recordation of Property, Disposal of Property.

⁷33 Stat. L. 1213.
⁸"The Secretary of Agriculture is hereby authorized to make such appointments, promotions, and changes in salaries, to be paid out of the lump funds of the several bureaus, divisions and offices of the Department as may be for the best interests of the service . . . and directed to pay the salary of each employee from the roll of the bureau, independent

division, or office in which the employee is working, and no other." 34 Stat. L. 1280.

"The head of each department shall rate in accordance with such systems the efficiency of each employee under his control or direction." 42 Stat. L. 1490.

¹⁰ 42 Stat. L. 1489. ¹¹ 38 Stat. L. 373. ¹² 24 Stat. L. 441.

¹³ For illustrations of the way in which these regulations provide for procedural control in the Department see below, Appendix C, p. 489.

The regulations might be said to constitute the Department's "house policy." They were supplemented from time to time by instructions given in the Secretary's Memoranda, Budget and Finance Circulars, Personnel Circulars, Office of Plant and Operations Circulars, and Informational Memoranda to Chiefs of Bureaus and Offices.

MAJOR PROBLEMS AND OPPORTUNITIES

The role of the auxiliary services is one of the most controversial problems of administrative management. It is at the point of general auxiliary control and facilitation that complaint of red tape and of bureaucracy most frequently centers. Obviously any procedure that adds to the number of decisions to be made and of records to be kept may retard action and invite a slackening of morale and of a sense of responsibility. The farther away one gets from the immediate firing line of attack upon a line agency's subject-matter problems, the greater is the possibility of distorting events to be recorded and used as a basis for further action. 14 That the administration of complex institutions is difficult and dangerous is apparent. It is made possible, however, by the auxiliary services and the general staff. As Arthur Macmahon and John Millett point out, 15 adequate staffing at the top of a department does not restrict bureau chiefs; it frees them. It may, indeed, as the same authors assert, lead to "the liberation of the energies of the operating units." Auxiliary services, furthermore, must be judged in the light of the division of labor required if a department's responsibilities are to be met. The more detailed the division of labor, the more difficult is the task of developing that unified and general direction which Brooks Adams rightly asserted as the central problem of administration.

Facilitation

Accusations of red tape and bureaucracy, in the meaning given these terms by popular usage, should be examined through a somewhat more detailed analysis of the auxiliary services. They relieved the overhead department chief of detailed management of his responsibilities for finance, personnel, purchasing, and other control activities. They sorted out from the mass of daily activities those questions that might contain the germs of important problems of policy, or that might warrant some specialized consideration, and brought them, if it seemed desirable, with

¹⁴Note the discussion by Walter Lippmann in *Public Opinion* (1922) of the processes of distortion that intervene between "the world outside" and "the pictures in our heads." ¹⁵Op. cit., p. 8.

supporting data, to the attention of the general staff. They facilitated more effective consultation between the department head and the bureau chiefs by seeing that the information necessary for adequate treatment of a problem was made available and by detecting questions that needed consideration.

The auxiliary services relieved the line bureaus of much of the specialized work incident to their activities and enabled an over-all departmental policy to be developed that would protect the line bureau and also adapt its requirements to those laid down by statute and regulation for the national government as a whole. They might at times protect higher officials of a line bureau from pressures by assuming responsibility for withholding a decision that the bureau alone might with embarrassment feel constrained to take. The auxiliary services relieved the department head also by taking over much of the burden of interviewing and of general public and legislative relations.

External Representation

The auxiliary services might be said to "run interference" for the line bureaus. Their action extended beyond the Department as they became the point of clearance within their fields for relations with the various general auxiliary services of the national government as a whole. Thus, the Office of Personnel handled all relations with the U.S. Civil Service Commission, although officials from the line bureaus might negotiate on personnel matters with the Commission if they had cleared through the Personnel Office. The Office of Budget and Finance was the Department's official representative before the Bureau of the Budget, the Treasury Department, and the Appropriations Committees of the Congress. The Office of the Solicitor had charge of relations with the Comptroller General¹⁷ and the Attorney General and represented the Department before the editor of the Federal Register. The Office of Information conducted business with the Government Printing Office. The Office of Plant and Operations was responsible for the Department's relations with the agencies in charge of public-building construc-

when he had to discontinue the positions involved.

17 The Office of Budget and Finance shared with the Solicitor the responsibility of departmental relations with the Comptroller General (see Department Regulation 3111).

¹⁶ For example, a bureau chief was sometimes glad to have the Office of Personnel reject a request for a promotion on the ground that it was out of line with general departmental standards. A bureau chief might not want to turn down such a request flatly and yet might not be in a position to make an issue of the question. Again, when certain operations stopped through expiration of a provision in the appropriation act or of the program generally, it was useful to the bureau chief to have the Office of Personnel behind him when he had to discontinue the positions involved.

tion and management. The Office of Personnel represented the Department on the Council of Personnel Administration.

The Department's auxiliary services also cleared with the auxiliary services of those bureaus that had developed such a division of labor. The Forest Service, the Soil Conservation Service, and the F.S.A., for example, had their own personnel, budgeting, and purchasing problems that exceeded in volume, if not variety, similar problems of most state governments. Each had its own personnel, budget, and information auxiliary service. The smaller bureaus might combine personnel and budgeting duties under an official with the title of business manager or assistant chief.¹⁸

The general national auxiliary services¹⁹ performed the same task on their level as did the departmental auxiliary services on the departmental level. They supplemented departmental attitudes by considerations applicable to all departments; they might be considered a potential corrective to excessive and ingrown departmental attitudes.²⁰

Standards

Auxiliary agencies may contribute greatly to a reduction in the elements of favoritism and chance: in cutting across a number of line bureaus they develop standard classifications and procedures. The development of standard classifications makes necessary the development of standards themselves, and this task forces a search for objective measurement. The process is seen in its simplest form, perhaps, in connection with the classification of books for library service. But the best illustra-

¹⁸The line of career that came up through the posts of bureau chief, business manager, or assistant chief was important; from it one could cite many illustrations of the existence of a career service in the "clerical, administrative and fiscal" services. The officials in these bureau-management positions gave continuity to procedure and were indispensable when new units had to be established and organization and procedure outlined. Thus, Mr. F. J. Hughes, the business manager of the B.A.E., was loaned for a period to assist in the organization of the A.A.A. because of his long experience in government administration. For an account of this type of career service, see P. W. Melton (formerly of the Office of Personnel), "Administration in a Federal Government Bureau," American Political Science Review, October, 1939, pp. 835 ff.

¹⁶We do not discuss the general auxiliary services of the national government because they have been so amply presented in: Preliminary Report of the Select Committee of the United States Senate to Investigate the Executive Agencies of the Government, and Report (With Special Studies) of the President's Committee on Administrative Management. See also Harvey Mansfield, The Comptroller General (1939), and James L. McCamy, Govern-

ment Publicity (1939).

²⁰The Central Statistical Board, for example (transferred under Reorganization Order No. 1 to the Bureau of the Budget in the Executive Office of the President) was a means whereby the inevitable departmental emphasis in the collection and appraisal of data found some qualification by the Board's effort to reduce duplication and to encourage jointly planned research.

tion is the rise since 1900 of standard personnel classifications based upon detailed job analyses, analyses of the resulting qualifications essential to perform the duties analyzed, the determination of the proper rates of payment to those so qualified and performing such duties; and an indication of the line of career for a standard group of positions.

Personnel classification of this sort democratizes administration by reducing whim and caprice and by enlarging the area of objective measurement. Such an auxiliary service requires, of course, additional record-keeping and checks upon the activities of operating officials; yet it has a positive aspect that cannot be ignored. The development of democratic public standards in administrative processes—that is to say, of standards that open on fair terms opportunities for employment and for the supply of services generally—is as important in a modern state as is the safeguarding of the electoral process and of legislative rules of procedure. Hence, the work of the auxiliary services in this field must not be underestimated.

Research

Some of the Department's auxiliary services were the points at which important continuing research in governmental problems was undertaken. The Offices of Budget and Finance and of Personnel consciously recognized a responsibility for such research within their spheres. They conducted current studies of organization and procedure and were alert to the need to have on their staffs persons competent for such activity. The student of administration in a university position may well acquaint himself with this work and the persons engaged in it, for there are certain fields of research that can best be undertaken inside a department, just as others can best be explored from the outside. The Office of the Solicitor, for example, was in 1939 conducting a study of procedures developed under the regulatory statutes by the Department's agencies charged with their administration. This study in administrative law could best be done within the Department, in view of its resources. It should, however, be supplemented by research workers in a law school or department of political science, who could, without any commitment to the Department, appraise locally, or in terms of a commodity, the effect of departmental activities on the administration of the regulatory statute.

APPRAISALS

The fact that auxiliary service was indispensable did not prevent the continuance of a sharp fire of criticism. In the Department's early years

such criticism probably was made of the Propagating Gardens, of the Library, and of other auxiliary services; but criticism became acute, and sometimes personally embittered, as a department head increasingly delegated control to auxiliary services. The dangers that come in this division of labor seem fundamentally to be two. First, the addition of another stage of review of action means that clearance takes longer and record-keeping is more complicated. These may seem unimportant in themselves, but for large organizations the results may be serious. Take a single minor point, such as the transmission of papers from a line bureau to the Secretary. The insertion of an additional step—that of obtaining action by the auxiliary service—might multiply considerably the number and movements of papers and thus slow down action and increase the risk of the papers' being lost during the process of transmission.²¹

In the second place, an auxiliary service may separate further the viewpoint and experience of operating officials on the firing line from the higher directive officials; it may injure the line bureau activities by subjecting their highly specialized requirements to the enforcement of general standards which, however honestly and ably developed and administered, are too generalized to meet the line agency's specialized needs. Frequently relations between line officials and auxiliary services within bureaus, within departments, and within the national government as a whole are characterized by quarrels and conflict over the assignment of office space, the classification of a position, the withholding of permission to publish a bulletin, or the transfer of part of an appropriation from one item to another. The line officials, and more particularly civil servants in less important posts, feel that the heads of auxiliary services are constantly reaching out for more power to control operations and are steadily invading the area of line activities.

Conflicts and Controls

It is precisely these questions, dealt with by the auxiliary services, that govern so much of the daily work—or at least the conditions under

²⁰ A similar result flowed from the Department's size, the number of steps in the hierarchy from the ultimate work unit to the Secretary, and from the division of labor reflected in the line agency's organization. Plans and reports that emerged far down the line might be almost unrecognizable to their progenitors when they reached the Secretary's Office. They might have been altered at many stages to suit the differing needs and outlooks of successive unit chiefs. The same distortion might take place as the process was reversed; the efforts of a Secretary, a director, or a chief of bureau to effect a change of emphasis or procedure might carry only the faintest of influences when the ultimate work unit was reached. This is why some of the political directive officials who come to power

which it is performed. The question of the amount of an official's office space may seem trivial; actually it may greatly affect his morale or the conditions under which he does his work. Since these conflicts arise frequently, there is a natural search for fixed standards and precedents that will enable a decision to be reached more easily and quickly or that will even prevent a conflict. A result is the forcing of the individual situation into a standardized classification. To avoid individual conflicts, it will be decided, for example, that anyone with a civil service classification in grade P-7 or above will be entitled to an office with two bays. Thus, one can easily envisage an accumulation of standard rulings and precedents that would surround the civil servant in his daily work and offer the target for the critics of red tape and bureaucracy.²²

The auxiliary official is sometimes inclined to the view that the operating official almost wilfully neglects considerations of procedure and gaily leads his office into trouble with the Civil Service Commission, the General Accounting Office, or the courts. Hence, a kind of friendly but firm parental control must be exercised; this control requires a steady extension of record-keeping, the initialing of documents, and similar devices for seeing that the operating official is properly brought up. Encouragement is given to the development of a "we" versus "they" conflict of attitudes. In the divisions, sections, and work units gloomy forebodings are uttered about what "they" will do next.

The line official receives the full brunt of face-to-face dealings with the public. Offended citizens may strike back through the Congress and the Secretary's Office; an investigation by an auxiliary official may result. From the line official's viewpoint the auxiliary service official leads by comparison the life of a worker in a sheltered industry. The auxiliary service official, however, is more directly exposed to attacks by general over-all auxiliary and control agencies, such as the Civil Service Commission, the Procurement Division, and the General Accounting Office. So in his turn he equally gloomily wonders what violations of law are being unconcernedly made by the line. Inquiries about budget, per-

with a change of party resent and are skeptical of permanence of tenure of officials under civil service statutes.

²² In a satirical novel by Edward Shanks, *The Old Indispensables* (1919), the life of an English civil servant is portrayed in terms that reflect these problems. A rich field awaits cultivation by novelists in the life of the American civil servant. Occasional sketches by editorial staff writers of the Washington newspapers, who have columns on the civil service, give glimpses of the more human aspects of the civil servant's life. But the subject calls for portraiture on a larger canvas, which would help to break down the distorted view that is widely held. See on this point Humbert Wolfe, "Some Public Servants in Fiction," *Public Administration*, II, 39–57 (1924).

sonnel, or hearing procedures, for instance, initiated by the auxiliary service concerned, may be greeted far down the line with the suspicion that new controls will result; an atmosphere of minor crisis develops and preparations are made to return information that will postpone, if not avoid, the calamity.

All conflicts that have marked the introduction of a division of labor in management in business and industry are present also in government. Their effect is to dampen morale in the operating staff and to cause a general letdown throughout the organization. This effect is far more costly than the delay in time, the making of additional records, or the risk of loss of documents. A struggle seems to go on between the auxiliary service and the operating officials: the former, anxious to safeguard the standards that it has set for the agency, is ready to add to its control over operations in order to insure the enforcement of those standards; the operating official, on the other hand, tackles the difficult subjectmatter problems placed upon his agency by law and is eager to be as free as possible in arriving at his decisions without having to obtain approval of auxiliary service officials.

Basic Challenge to Auxiliary Services

Administration would, of course, be easier if the line official had the time for, and the knowledge of, special techniques with which to meet problems of personnel, budgeting, information, purchasing, legal interpretation, documentary research, and similar fields; thus he could himself meet the general requirements of departmental policy as well as those placed upon administration as a whole. Actually, however, he rarely has such comprehensive knowledge; consequently, he must depend upon personnel who can devote themselves to these techniques and adapt them to his requirements. It would be equally ideal if a department head could deal directly with his line officials on these matters. In a small and simple organization this is possible and necessary in order to meet the limitations of overhead costs. But, again, these conditions are not present in large-scale business and governmental institutions. In a sense the person who criticizes red tape and bureaucracy might more appropriately criticize power industry and rapid communication, which have made division of labor possible and ultimately necessary.

Is there any standard whereby the value of an auxiliary service can be measured? How large a departmental budget or personnel staff is necessary? How much of an auxiliary service is required for a line bureau? At what point do the economies in central purchasing over-

come a line bureau's convenience of doing its own purchasing? A report made in 1938 by the Office of Budget and Finance—through its Division of Purchase, Sales and Traffic—on purchasing in the Department revealed that purchasing by lower units resulted in higher cost of purchase and storage and that there was a great variation in practices at points where uniformity should result in lowered costs. Although little research had been done on this important phase of management, its need was recognized, and in 1939 the Office of Budget and Finance was undertaking its development. The institution of research units in the Bureau of the Budget and in the Council of Personnel Administration offered an opportunity for developing standards whereby auxiliary services could be measured.

We can visualize better the complexity of the administration of a large department if we take the office of the chief of an operating bureau as the central point in a department's administration and trace the lines of relationship that flow out from it. The direct hierarchical line of authority runs up to the department head and down to his division chiefs in the Washington office, and through them to the sections; through the chief officers of the regions in the field it runs to state representatives of the bureau, and finally, perhaps, to those in charge of projects in the field or field stations. To assist the bureau chief are his own auxiliary services under an assistant chief or business manager. These bureau auxiliary services, in turn, clearing either through the bureau chief or by direct negotiation, present the bureau's auxiliary service business to the various departmental auxiliary services; the latter in turn will clear through the bureau chief and his auxiliary staff in the enforcement of departmental controls and policy in their respective fields. The difficulties of eliminating friction in such a mechanism are great enough in the Washington offices. They are even greater in the field, where the necessity for accommodating general departmental rules to varied local situations is present and where perhaps no field representatives of the departmental auxiliary services are permanently stationed.23

All negotiations over management problems affecting departmental auxiliary services must travel the somewhat devious and time-consuming path back to Washington for action by officials who may have had little experience in the particular setting in which the field official is

²³ Some of the larger line agencies, such as the Forest Service, the Soil Conservation Service, and the F.S.A., had auxiliary services at their regional offices. On this problem see David E. Lilienthal, "Administrative Decentralization of Federal Functions," *Advanced Management*, January-February-March, 1940, pp. 3–8.

operating. Nevertheless, without some instruments of standardization and control the Department would break sharply into a number of autonomous operating bureaus, and the possibility would be remote of obtaining integration of programs and the economy in management that standardization permits. We are returned, therefore, to the original dilemma. If the governmental system is reflective of the needs for public action in a complicated industrial society, it must struggle with the equally complicated processes of administrative management. Hence, the challenge to the auxiliary service is that it be genuinely auxiliary and that it win the confidence of the operating officials by assisting them in obtaining the right man for the job, the best materials, and whatever else may be necessary to enable them to devote themselves with greater freedom to their subject-matter problems.

Auxiliary Services Essential to Constitutional Government

Even if there were no case for the auxiliary services as facilitators of the line operations or as management aides to a department head, they would still be necessary as part of the practical application of checks and controls inherent in a constitutional, representative government. The Constitution of the United States provides that "No Money shall be drawn from the Treasury, but in consequence of Appropriations made by Law; and a regular Statement and Account of the Receipts and Expenditures of all public Money shall be published from time to time." If this rule of procedure and other similar rules, such as those in statutes, in the President's executive orders, and in court decisions, are to be more than pious wishes, some agency within the government must enforce them in daily activities. The Congress is too remote and overburdened to perform this task, although it may do something through its annual review of the departments in the consideration of their appropriations and through its special investigations. Generally speaking, however, the Congress cannot meet its responsibilities as an agency for enforcing basic rules of procedure unless it improves its committee organization and procedure: the functional area for which its committees are responsible would have to be coterminous with the functional areas of the executive departments; each committee would have to have a permanent staff qualified by training and experience to report currently to the committee on the work in that function. If the Congress were really serious in its desire to serve effectively as a control authority, it would establish a series of joint committees of this type and provide them with staffs. Up to the time of this study the only approach

toward such an assumption of responsibility was to be found in the House of Representatives' Committee on Appropriations, with its permanent clerical staff. This Committee, however, had an overwhelming burden in the annual review of appropriation measures; furthermore, its staff was so small that an intimate and effective control over departmental operations was impossible.24

The President's constitutional responsibility to "take Care that the Laws be faithfully executed" and the somewhat more general responsibility to control the executive departments through the heads whom he appoints and dismisses can in part be exercised effectively through auxiliary agencies. The U. S. Civil Service Commission, the Bureau of the Budget, and the other auxiliary agencies, and the corresponding auxiliary services in the departments, should be viewed not only as aides to management but also as integral parts of constitutional, representative government. The functioning of a personnel system, or of a good budget system, so that recruitment and promotion are based solely upon merit is essential to the maintenance of constitutional rights and liberties. The point is all the more important when one appreciates how much discretion is left to the executive branch under current conditions of government in the modern industrial state. The quality of the personnel and the traditions and procedures that develop may constitute the most powerful practical safeguard of public rights and liberties since they affect directly and continuously the tone and temper of government. For various reasons, such as the dramatic conflict over the Supreme Court in 1937, this point has been overlooked. Most people think of the courts as the sole guardians of constitutional rights and liberties. This is a serious mistake. Our rights and liberties are much more apt to be protected if we remember that the day-to-day control of expenditures, of personnel selection, and of other similar routine administrative activities determines the relations of government to its citizens. All these claims for the auxiliary services may be startling, but no one who has had the opportunity of seeing government in action and from within can refute the facts that support the claims, 25 Such work is not dramatic, but it is decisive.

²⁴A proposal to establish a Congressional Budget Service under a Joint Committee on

Appropriations was embodied in S. 3715, 76th Cong., 3rd sess.

25 This fact was realized by thoughtful civil servants and was illustrated by a remark of a field officer of the Forest Service with whom I was discussing the problem of auxiliary service controls over his operations on a responsible field assignment. He remarked that of course some of these controls were bothersome and sometimes added to the expense of operations, but he added that he-and most of the men in the field-appreciated that it was only right to safeguard in every possible way the expenditure of public money. J.M.G.

THE OFFICE OF BUDGET AND FINANCE

The appropriation act is probably the single most important bit of legislation of a representative government. It is a still photograph of every activity of the government for the fiscal period. Equally important is the procedure whereby the act comes to be adopted and the means that are taken for fulfilling its requirements.²⁶ Much of the responsibility for the preparation of the budget and for its execution rests upon each department, which is intimately concerned also with the other stages in budget procedure. Years might pass without any new legislation affecting a department, yet ample provision for its continuation might be found in the appropriation act.

The budget is important as an act of authorization and also as an opportunity for internal, as well as external, review and appraisal of a department's operations. The Budget and Accounting Act of 1921, like the Classification Act of 1923, was of greater importance in the fundamentals of American constitutional government than many phrases in the Constitution itself. It may be said to have affirmed positively for the first time in our history the necessity of responsible preparation for submission to the Congress of the executive's spending program for the next fiscal period; the creation by the House of Representatives of a unified review agency in the Committee on Appropriations was an equally important affirmation of the need for moving toward a more coherent review of the executive's program. There developed steadily from that time a growing recognition of the importance of each department's budget staff as a factor in a responsible budget-preparing system.

The Budget Process

The Department's Office of Budget and Finance was established in 1934 as a separate agency by the Secretary in a memorandum (No. 646) that stated:

The Director of Finance, W. A. Jump, will be the chief fiscal officer of the Department. He will be the general agent and representative of the Secretary of Agriculture in matters of budget and finance and will exercise general oversight and supervision of the fiscal, accounting, purchasing and related work of the Department. The Director of Finance, who will continue to serve as Budget Officer of the Department, will be the contact officer, where financial and related matters are concerned, and will conduct or have general oversight of the busi-

²⁶See Leonard D. White, op. cit., pp. 201-73.

ness of the Department with Budget Bureau, the General Accounting Office, the Treasury Department, the Appropriations Committees and with other Departments of the Government and agencies doing business with the Department.

The importance of this Office, both as a general-staff and as an auxiliary service, can better be understood by an account of the budget process. Since this process is described fully in Appendix A by Verne Lewis, there is no need to elaborate on it here. A few interpretive comments may be added, however, representing the views of one who observed the process from the outside.

The work of the Director of the Office in presenting the estimates, both to the Bureau of the Budget and to the committees of the Congress, was of paramount importance. Thus, the Director appeared with each bureau chief before the representatives of the Bureau of the Budget. Following the policy that had developed in the Department, the Director endeavored to stress the appraisal of projects, rather than objects of expenditure or organization units, in order to concentrate attention on the more significant meaning and purpose behind the Department's work as reflected in a project, however small. Such an emphasis was designed to focus attention upon policy rather than upon the details of administration. Again, in the chief legislative review of the estimates—that in the hearings of the subcommittee of the House Committee on Appropriations—the Director of the Office of Budget and Finance played a major role.²⁷

The Office, as the central point of negotiation with the Bureau of the Budget on allotments as well as estimates, with the Congress, with the Treasury Department, and with the General Accounting Office,

While these hearings were being held (throughout several weeks of midwinter and early spring), the Office of Budget and Finance would also be responsible for facilitating the presentation before the Appropriations Committee Subcommittee of needs for deficiency appropriations for the current fiscal year. In 1939, for example, there were three deficiency acts; this fact meant that in the same session four separate appropriation acts affecting the Department were dealt with.

²⁷Probably the single most valuable source of material on the current activities of a government department is these hearings. See, for example, Hearings Before the Subcommittee of the Committee on Appropriations, House of Representatives, Seventy-Sixth Congress, First Session, on the Agricultural Department Appropriation Bill for 1940 (1939). Although some of the discussion in the hearings was "off the record" and therefore not published in the printed hearings, there is in general a fairly complete record of the presentation of the work of each bureau by its chief and his supporting aides and of the questions and comments by members of the Committee. There is a series of tables covering the Department's finances and an opening presentation of the Department's program and needs by the Secretary. Following the appearance of the Department officials, opportunity to appear was given to Congressmen and to representatives of various groups having an interest in some particular part of the Department's work.

inevitably developed a kind of control over expenditures through the sheer weight of its knowledge and experience and the need of line bureaus for its advice and guidance. This aspect of auxiliary services in general was well illustrated in the hearings before the Subcommittee of the Committee on Appropriations. On many occasions the Director could assist both the Committee and the bureau chief who was being examined: when he observed that a point had become obscure and that the inquiry was leading away from relevant facts, he could clarify the point under discussion or present pertinent supplementary information. Obviously, this ability required a high order of statesmanship. The Committee must have complete confidence in the integrity of the Director or else it would become suspicious and resent what it might look upon as an effort to lead it away from investigation into questions which the Department would not like to have exposed. The task also required an ability to interpret the specialized activities of a particular bureau so that they were understandable to laymen and were made to fit into the Department's program.

Search for Standards of Measurement

The importance of the Office of Budget and Finance arose inevitably out of its association at decisive points in the process of preparing and submitting estimates of expenditure and of administering, for the Secretary, controls after expenditures were authorized. The search for devices whereby activities might more accurately be described and measured and attention might be focused upon such standards of measurement as were developed was therefore constant and explicable. An official in the Bureau of the Budget or a member of a legislative committee might jeopardize the balance of activities as provided in departmental estimates by pursuing some point that was of particular concern to him but irrelevant to the fundamental problems. There were, of course, some objects of expenditure about which Congressmen were generally sensitive, such as passenger automobiles, travel, printing, the importance of equipment, and salary increases.²⁸

On the whole the subcommittee's work was impressive, particularly when one appreciates how difficult was the task of reviewing the estimates and how limited the time. Probably it is at this point that an increased staff of experienced officials to be employed by the Ap-

²⁸Note the discussion of the intricacies of salary classification in U. S. Congress. House. Subcommittee of House Committee on Appropriations. 75th Cong., 3rd sess., *Hearings on the Agricultural Department Appropriation Bill for 1940*, pp. 87–90.

propriations Committee would be most valuable. Although the scrutiny of the Department's estimates by the Bureau of the Budget was relied upon to some extent by the subcommittee, there was nevertheless the feeling—inherent under our separation of powers—that this Bureau was, after all, not an agent of the Congress. There was also the natural suspicion that all the Department's representatives were making the best case possible for the Department. The one opportunity for some kind of external appraisal must, therefore, come at the stage of legislative review. Some Committee members made an effort to become acquainted with the Department's work in the field. The problem was so great, however, that probably only through more staff assistance could the appraisal become more searching.

The same problem confronted the Office of Budget and Finance; it was significant that the Director moved toward the development of research studies in procedure and organization and in the selection of a personnel that could be trained to initiate inquiries and to make appraisals in order to meet this problem. By an emphasis on the relation of finance to the underlying work program and by the study of organization and procedure whereby the work program could be undertaken more efficiently, perhaps the Department could more effectively plan and control its expenditures and thus avoid criticism and resentment that might strike down indiscriminately the essential as well as the peripheral.

General Administrative Services

The Office of Budget and Finance performed some general administrative services apart from its financial duties. It was responsible for the Department's regulations, which it prepared for issuance under the Secretary's authority. Proposals affecting legislation must first clear through it; later they were examined by the Bureau of the Budget, through which the President sought to insure coherence in legislative policy for the executive as a whole. The Office's Division of Purchase, Sales and Traffic dealt with the Procurement Division of the Treasury Department, for the Department of Agriculture; it also dealt with the various procurement offices within the line bureaus. The Office administered the Department's accounting system and was responsible for the Department's relations with the accounting and disbursing offices of the Treasury Department. It prepared and circulated, when Congress was in session, a "Daily Digest of Proceedings of Congress." In 1939 a new Division of Fiscal Management was established to conduct

periodic examinations of the organization and procedures in the fiscal offices in Washington and in the field; to develop improved fiscal-management practices; and to maintain close contact, through a liaison staff, with the policies, programs, and operations of the large action agencies in order to facilitate departmental coordination and supervision of their programs.²⁹ These activities are described at greater length in

Appendix A.

The nature of the budget process inevitably gave the Office of Budget and Finance major responsibilities in general management in the Department. The experience of the Director and the confidence placed in his integrity and judgment by committees of Congress, Secretaries of Agriculture, and bureau chiefs combined to increase these responsibilities. The rapid expansion of activities, the appropriation of large sums for subsidies and grants-in-aid, and the conferring of discretionary power for allocating appropriations to operating units increased and complicated the Office's work. The Director's emphasis upon building a staff recruited from junior professional grades that would become competent, through experience, to appraise the Department's fiscal problems was of great significance for the development of public administration in the United States.

THE OFFICE OF PERSONNEL

During the Department's early history, when employees were few, they were hand-picked by the Secretary. As the organization expanded and as bureaus were established, the task of recommending appoint-

²⁰ Director Jump, in commenting upon the duties of the fiscal investigators to the subcommittee on the Agricultural Appropriation Bill for 1940, stated (*Hearings on the* Agricultural Department Appropriation Bill for 1940, pp. 84, 87): "The other day the question arose as to why we cannot allocate functions to the various bureaus and hold the bureau chiefs responsible. That is what is done, and the bureau chief is held responsible.

"But it is necessary for the Secretary to have some instrumentality of an effective character, to see and know what is going on and to see that certain standards are observed with some uniformity throughout the Department. In many cases the Secretary cannot tell whether functions are being discharged properly or not unless he has some articulate instrumentality to determine whether responsibility delegated to others is being adequately

discharged. .

"In the final analysis we proceed on the administrative basis that the Bureau Chief is responsible for what goes on in his bureau and that the final audit by the General Accounting Office is the formal safeguard on all fiscal matters. But in between these two elements there is the widest possible zone of influence in the nature of operating procedure—in fact in the whole field of administrative management where it is essential, in the strongest and widest use of that word, to have a few people with high technical qualifications going around and seeing how these varying types of work are being conducted and what kind of situations exist in the various agencies. This goes hand in hand with the development of constantly improving, and so far as possible, uniform, administrative, personnel, fiscal and other procedures. That is our objective here."

ments shifted to the bureau chiefs; papers and records were then handled centrally by an Office of Appointments under the general supervision of a chief clerk who was responsible to the Secretary. In 1914 an Office of Inspection was created with authority to investigate and report upon disciplinary cases throughout the Department.

Personnel responsibilities of department heads were increased and made more explicit by the Classification Act of 1923, which required allocation of all employees in the departmental offices in Washington to their appropriate grades as defined in the Act. This necessitated the immediate employment of a classification officer for the Department. W. W. Stockberger, who became the first personnel officer of an operating department, had served with the Joint Congressional Committee for Reclassification, which in 1919 and 1920 had laid the groundwork for the Classification Act. He was a scientist of long experience in the Department and in charge of one of the research units of the Bureau of Plant Industry. He brought to the new position an understanding of the personnel problems of a Department that had long been characterized by scientific activities. On April 7, 1925, the three offices having personnel functions—appointments, inspection, and classification—were consolidated with the offices charged with control of budget and fiscal matters into an Office of Personnel and Business Management; increase in work led to its separation into the Office of Personnel and Office of Budget and Finance.30

Changes in Organization

Some changes were made in the organization and allocation of duties within the Office of Personnel following the retirement of Mr. Stockberger³¹ and the succession to the directorship of Roy F. Hendrickson in 1938.³² These changes reflected not only the development over many

³⁰ Secretary's Memorandum No. 646, May 17, 1934. The section relating to the Office of Personnel reads as follows: "The Director of Personnel, Dr. W. W. Stockberger, will be the chief personnel officer of the Department. He will be the general agent and representative of the Secretary of Agriculture in personnel, salary classification, organization and related matters and will exercise general oversight and supervision of the personnel and related activities of the Department. The Director of Personnel will conduct the business of the Department with the Civil Service Commission and where personnel matters are concerned with other agencies doing business with the Department of Agriculture." For statistical data on the Department's personnel see below, Appendix C, pp. 493–97 ff.

^{at} Mr. Stockberger, upon retirement from the directorship, was appointed as Special Adviser to the Secretary. His career is presented by Macmahon and Millett, *op. cit.*, pp. 47–49. Mr. Stockberger was in 1939 preparing a study of personnel administration in the Department.

Department.

22"Memorandum to Chiefs of Bureaus and Offices" issued by the new Director on July 21, 1938, and the subsequent memorandum of December 18, 1939, described the reorganization and introduced new division chiefs.

years of central departmental personnel services and controls but also the major tasks in personnel administration, which, after the Department's expansion in the New Deal period, required greatest emphasis. Many activities assigned to new divisions of the Office had long been a

part of the Department's personnel program.

The Division of Investigation was assigned personnel and other investigations, inspections of field stations and offices, and review and recommendation of appropriate action in personnel disciplinary cases. The creation of the Division of Personnel Relations, Safety and Health followed the negotiation of a program of personnel relations upon which the Office had been engaged for some time.³³ A unit of this Division devoted its attention exclusively to employee grievances, complaints, and other matters affecting employee relations. Safety work and accident prevention became an essential part of the Department's personnel program. This work included the development of new protective devices for workers and machinery and of new methods of performing work that would reduce accident, health, and fire hazards; the conduct of safety training courses for supervisors; and the elimination of potential accident and health hazards through physical inspections. This Division also directed the Department's health and medical activities, including supervision of emergency treatment rooms, placement of first-aid kits, health surveys, and education.

The Division of Qualification and Training (whose first chief was recruited from the F.S.A.) planned, developed, and maintained a program of recruitment, selection, and investigation of all applicants for positions in the Department; appraised qualifications and submitted recommendations to bureau appointing officers; developed, coordinated, and supervised methods of transfer and promotion within the bureaus and departmental offices; located vacant positions and recommended suitable applicants after investigating their qualifications; arranged for examinations with the Civil Service Commission; and promoted and developed a program of employee training for the Department. The establishment of this new Division reflected the increased emphasis in Washington on better selection and on in-service training after recruitment. Here again the Department pioneered. The Division of Classification investigated and recommended grade allocations for all positions in the Department, both in Washington and in the field, which were subject to the Classification Act of 1923

⁸³The statement defining the procedure for handling employee relations is reproduced in Appendix C below at page 497.

and to Executive Order No. 6746 (issued June 21, 1934), which provided for extending classification to field positions.

The Division of Organization and Management, created after the general reorganization of the Office, reviewed proposed organizational changes requiring the approval of the Director of Personnel; it conducted studies in organization, procedures, and management for the purpose of improving structural arrangements, distribution of functions, lines of authority, flow of work, and work-load distribution. The functions of the Division of Appointment Records are indicated by its title: it maintained the retirement records, the personnel records generally, and the files, and it contained a statistical and mechanical tabulating section.

Allocation of Responsibility

While control of personnel matters was largely vested in the Secretary, much of his responsibility was delegated to the Director of Personnel, who in turn emphasized the greatest possible delegation of responsibilities "down the line." Substantial personnel responsibilities are an integral part of the managerial function of every executive, from the chief administrators to the supervisors of the smallest units; it was the Department's program to delegate generously but to follow that delegation by a constant flow of education, stimulation, and assistance. The program was one of mutual cooperation between the bureaus and the Office of Personnel and of active assistance to the U. S. Civil Service Commission and other authorities to insure adherence to laws and regulations on all personnel matters.

The Department's traditional policy was to place responsibility for personnel administration on the line bureaus;³⁴ consequently, most bureaus had personnel officers to whom was delegated a large measure of responsibility for administering the Department's personnel program with their units. They served as spokesmen for their units on personnel problems with the Office of Personnel. The operating official generally should be most familiar with the needs of his office and with the sources of adequately equipped personnel. This statement was particularly true of the Department of Agriculture, many line agencies

³⁴Much of the emphasis in discussions of personnel administration has been placed on the control agencies, such as the Civil Service Commission, so that we have sometimes forgotten that such personnel agencies are, after all, only means to an end; that is, the procuring of the right man to do the job in a line agency. Lewis Meriam, in *Public Personnel Problems* (1938), corrects this emphasis by presenting personnel problems "from the standpoint of the operating officer."

of which were engaged in activities so specialized that their officials were intimately acquainted with all the work done in the specialized field in the United States. The Forest Service, for example, had been the chief point of recruitment in this country for trained foresters. Many units of the Bureau of Animal Industry and of the Bureau of Plant Industry offered the only positions in which certain types of research were done. The Soil Conservation Service almost alone created new kinds of employment. The chiefs of these agencies must, therefore, necessarily keep closely in touch with universities and other sources of new recruits of and must themselves constantly be developing various types of in-service training.

Need for General Personnel Agency

Nevertheless, there was a real place for a general departmental personnel agency. Of course, the Secretary must have aides to assist him in the performance of his duties under the Classification Act and in maintaining the morale of the Department by developing common standards to govern salary increases and promotions. When one line agency, or one type of employment, seemed to be unusually fortunate in the number and extent of promotions or salary increases, the effect was felt throughout the Department and, in fact, among other departments. Consequently, one of the most difficult problems in personnel administration resulted, and the Reclassification Act made possible the development of more objective standards. There remained, nevertheless, a large area of responsibility with the departments in the administration of the Act.

In addition to this general departmental responsibility, there was a large area in which a departmental personnel office could positively facilitate the work of the line bureaus by providing common services. For example, the field services were not included under the original Classification Act of 1923, as amended. In 1930, however, department heads and independent establishments were directed to adjust the compensation of positions in the field services to correspond so far as

^{**}The personnel program of the Forest Service is discussed in the Report of the Personnel Officers' Conference, held by the Forest Service in Washington on March 14-26, 1938, at which the regional personnel officers met with officials of the Forest Service and of the Office of Personnel. See also Careers in Forestry, Misc. Pub. No. 249. The Chief of the Division of Personnel Management of the Forest Service was Perry A. Thompson, a career officer of the Service.

³⁶See the memorandum to bureau chiefs from the Office of Personnel reproduced in Appendix C below at page 502.

practicable to rates under the amended Classification Act.³⁷ The Department had, through the Office of Personnel, accomplished much toward bringing its field services in line with classification in the departmental offices in Washington. This work was complicated by the great variety of positions and their wide geographic distribution. The bulk of professional jobs was in the field. Although the allocation of positions in Washington was subject to the review of the Civil Service Commission, the Department had final authority over the classification of field positions. In this work the relationship of the Office of Personnel to the field service resembled that of the Commission to the Washington service.

Thus, the Office of Personnel found that it exercised final classification authority over more professional positions than did the Commission in its relationship to the entire federal government. An additional complicating factor was the necessity for classifying ten thousand or more field positions under Executive Order No. 6746 (June 21, 1934). Many employments, not only in the clerical, administrative, and fiscal services but also in the professional services, were common to most, if not all, line bureaus; hence departmental policy on recruitment and training for these positions was advantageous. At times many line bureaus desired to negotiate with the Civil Service Commission about examinations and selection from lists of eligibles. Nevertheless, experience demonstrated the advantage of clearing through the departmental Office; it was constantly engaged in negotiations with the Commission and was, on occasion, able to disentangle a line bureau from procedural complications.

Requests from all bureaus that employed personnel in identical or similar lines of work were coordinated; assistance was rendered to the Civil Service Commission in drafting announcements and in preparing examinations. It was useful also to have a means of investigating and checking the exercise of discretionary power of necessity given to field officials who employed field men under "letters of authorization," issued by the Secretary. Under these letters a field officer was permitted to employ within the sums allocated under the appropriations for temporary services. The Office of Personnel also provided assistance and guidance to the new agencies established after 1933, some of them exempt from the civil service law and the Classification Act, and

⁸⁷46 Stat. L. 1003. The problems of classification, salary increases within grades (mistermed "administrative promotions"), and promotions are revealed in the Hearings on the Agricultural Department Appropriation Bill for 1940, pp. 87-90, 1268-78.

helped to bring them within the Department's general policies so that they would not be too disruptive of morale.³⁸

Development of Departmental Policies

The Office of Personnel offered many illustrations of the way in which an auxiliary service might develop departmental policies out of the more formal requirements embodied in statutes, in executive orders, and in related responsibilities of the Secretary. When the Civil Service Commission sent to the Department the names of persons eligible for appointment to a position, their experience and educational qualifications remained to be evaluated. This work required not only an investigation but also a background knowledge of the position, of the training in that field offered by various educational institutions, and of the kinds of education that would contribute to a recruit's development. After his entrance into the Department, the task of immediate job-training required that a recruit be initiated into his duties as quickly and as economically as possible; then, too, there was the larger problem of placement and guidance. Potential recruits for higher grades and for directive positions must be discovered and developed; morale must be improved by the opening up, through transfer or promotion, of a better adjustment of civil servants to positions.³⁹

The Office supervised the application throughout the Department of the efficiency rating system promulgated by the Civil Service Commission under the Classification Act of 1923. A complementary rating plan was being developed for uniform application to the field forces under Executive Order of June 24, 1938. Efficiency ratings were utilized

³⁸ See Macmahon and Millett, op. cit., p. 112, for a discussion of the work performed by the late Julien N. Friant, when he was Special Assistant to the Secretary, in recruiting for positions exempt from the merit system. Qualifying examinations were required of applicants recommended for these positions. It should be noted that the new agencies included personnel offices among their auxiliary services.

³⁰During 1938 personnel questionnaires were filled out by all the Department's employees. The "Memorandum to Chiefs of Bureaus and Offices" dated July 15, 1938, accompanying the questionnaire, stated that: "The Office of Personnel with the cooperation of bureau administrative offices has now developed a program looking towards the establishment of placement machinery which, if employees cooperate, should prove highly

effective in advancing the Departmental promotional policy.

"The first essential in establishing such machinery is an adequate description of the experience and training of each employee. It is requested therefore that each person who holds a formal Secretarial appointment in the Department carefully complete the personnel questionnaire which is attached, and that in the future each new appointee fill out this personnel questionnaire in addition to the personal history sheet when reporting for duty. "Qualification punch cards will be made from the data obtained from these question-

"Qualification punch cards will be made from the data obtained from these questionnaires and will be used for placement and promotion purposes. Through the use of these cards the availability of employees qualified for openings which may occur can be established where present available records fail to serve that purpose." in making salary increases and decreases and in reductions in force. Though each bureau had its own Board of Review of Efficiency Ratings, here again the need to develop and coordinate the use of departmental standards in the interests of morale placed a responsibility on the Office. On May 4, 1938, policies of personnel relations and procedures were laid down in a memorandum (No. 753) prepared by the Director of Personnel following a long period of exploration and conference with employees, organized groups, supervisors, and administrators. This memorandum assured the employee the right to join or refrain from joining any association of employees; it established a standard procedure for presenting and appealing grievances; and it provided means of access to certain personnel information. 41

Training Programs

The development of training programs in the Department reflected special characteristics of the Department.⁴² Since most of the scientific personnel were recruited from the land-grant colleges, the outlook of many in the Department was directed toward a specialized field or subject matter. Consequently, the individual scientist was frequently concerned only with working conditions that guaranteed continuity within his field; he was, on the whole, impatient with broader considerations. There was, nevertheless, the need for developing recruits for higher directive positions, the incumbents of which must have a broader outlook and be able to see particular researches in the light of larger programs. How research instituted to attack a certain problem should be appraised; when activities should be ended; when personnel should be shifted to other problems—these were additional questions.

Recruits for directive positions were difficult to find; they must comprehend research problems and command respect of the research staff and yet be capable of evaluating the research and of preventing work from continuing under its own momentum. The Department was experimenting with various types of training procedures whereby it might be provided in the future with personnel able to direct line activities in the light of general departmental programs and needs. Such efforts were important also because the Department's homogeneity,

⁴⁰The Office issued in December, 1938, a factual summary of efficiency ratings for 1938, and in March, 1939, an "Efficiency Rating Manual" for assisting the bureaus in the rating work, outlining procedure, and bringing about greater uniformity in results.

⁴¹The memorandum is reproduced in Appendix C below, at page 497.

⁴² Among the surveys and reports on personnel issued by the Office of Personnel are "Employment Training Policy" (a report of the Committee on In-Service Training, April, 1939) and "How to Start a Training Program," July, 1939.

which was almost automatically supplied by the common educational background of the land-grant colleges and by the natural sciences, was increasingly qualified by personnel recruitment from other sources.⁴³ The Department was perhaps the outstanding institution in the United States in which integration of the work of the natural and the social scientist was increasingly required. Here again the Department's training program was of major importance.

Other special training problems arose because a large portion of the personnel was in the field and was engaged in work peculiar to the Department. There were, for example, many types of inspectors administering marketing and other regulatory and service-providing activities. There were the widely scattered units of the Forest and Soil Conservation Services and the F.S.A. Great were the physical difficulties attending a training program that would fit the new recruit to his job (for which no educational institution could possibly provide adequate training) and that would contribute to his general as well as his professional development. Even in the Washington offices it was not easy to supplement a legitimate and desirable corporate bureau feeling by adequate consideration of general departmental problems and policies. Nevertheless, this task was attempted. The Graduate School was brought into closer relationship to the Department's general personnel program. In a memorandum of June 24, 1938, the Secretary designated the Director of Personnel as the Secretary's "representative in all matters relating to the Department Graduate School."

For some years the School's lecture courses were used to stimulate interest in the Department's history and problems, in questions of administration and management, and in important trends in the natural and social sciences. These lectures of a more popular and general type supplemented the more specialized and technical courses offered in the School. At the request of the Director of Personnel, educational counselors were appointed in all the bureaus to advise employees interested in continuing their educational work. The Office also initiated luncheon meetings for the chiefs and ranking officials of the bureaus, for division heads, and for junior officials, at which

⁴⁸ See "Report on Career Training for Agriculture" (mimeo., no date), prepared by the Committee on Career Training for Agriculture of the Department, of which Mr. Stockberger was chairman and Carl F. Taeusch the executive secretary. The Committee's findings were summarized in an address on "Training for Professional Service in the Field of Agriculture," given by Mr. Taeusch before the Resident Teaching Subsection of the Association of Land Grant Colleges and Universities at Chicago on November 14, 1938. See also the Report of the Joint Committee on Training for Government Service of the Department and the Association of Land Grant Colleges and Universities on Preparation and Training of Extension Workers, November, 1938 (Extension Service Circ. 295).

speakers presented administrative problems common throughout the Department. A mimeographed "Bulletin of Personnel Administration" was circulated, in which personnel problems were discussed; news items and observations about them, drawn from the experience of agencies of the Department, were presented.

Employee training was highly decentralized to carry out the Department's policy that training should be given so far as possible by each executive and supervisor to his subordinates. The Office of Personnel provided leadership by advising and stimulating training and serving as a source of information on technique and planning; it undertook a few training projects where it had operational responsibilities. Those undertaken were usually to train personnel who would have training duties. Bureaus were encouraged to provide training leadership by employment of training specialists. In 1939 several bureaus had one or more training specialists, and some had regional training officers. These officers in turn were encouraged to avoid operational responsibilities for training and to concentrate on planning and advising. Cooperation in in-service training was initiated with educational institutions in the region by some bureau regional training officers.

Integration with the Activities of Agencies

The accumulation of information and the recording of experience about personnel and related organizational problems throughout the Department enabled the Office to join with the Office of Budget and Finance in advising the Secretary on departmental programs and the development of new policies and activities. The Director was, therefore, by virtue of his position, an important member of the general staff. No agricultural policy could successfully be launched and maintained unless its application in terms of men, money, and materials had been carefully planned. Too often this point was overlooked. The need for haste and the need for careful planning create a tragic dilemma of government in a period of rapid change and of apparent crisis. The demand for action leads to a decision to proceed at once with a policy that seems to offer a solution to the problem producing the crisis. It would be wiser in the long run to resist the tremendous pressure for quick action long enough to enable the legitimate and necessary zeal of its proponents to be mingled with the experience and insight of the Offices of Budget and Finance and of Personnel.

Two general developments in personnel administration in the national government were calculated to increase the importance of de-

partmental personnel offices. The Executive Order (No. 7916) of President Roosevelt of June 24, 1938, laid the legal basis for positive advance in personnel administration that would undoubtedly be made in the following decade. Under it and related orders issued during 1938 personnel officers were appointed in the major executive departments, charged with formulating career service programs, including training policies. A Council of Personnel Administration composed of these officers, representatives of the Civil Service Commission, and a chairman appointed by the President⁴⁴ was established to supplement the Commission's work by emphasis upon training and career programs. The Department had anticipated these developments by creating the first departmental personnel office in 1923, when Mr. Stockberger became adviser on classification to the Secretary, and in 1925, when the Office of Personnel and Business Administration was established.

Bureaucracy vs. Politics in Selecting the "Right" Person

Two major criticisms are generally made of the government service criticisms that are in part contradictory. It is held, on the one hand, that government employment is characterized by routine; that it is destructive of ambition and drive; that civil servants grow out of touch with the attitudes and needs of the public that they are employed to serve; that the service contains an excessive amount of "dead wood"; that it is "bureaucratic." On the other hand, government jobs are alleged to be the spoils of dominant groups—of party machines, of individuals of influence, of legislators, and also of pressure groups, such as producers or processors or others, whose interests will be served by having friends at court. What bearing did the Department's personnel policies and practices have on these criticisms? Let it be stated at once that these criticisms, however distorted on occasion, reflect real problems -problems that are perhaps more widespread than the critics usually admit. The two criticisms reflect, in fact, the problem of balancing stability and change—the problem of harnessing together for constructive progress the vitality of social and political movements and outlook with the moderating influences of experience and expert knowledge. Inevitably we are brought back to the basic tasks of an auxiliary service:

⁴⁴The first chairman was Frederick L. Davenport, formerly Professor of Law and Politics at Hamilton College, former member of the U. S. House of Representatives, and Director of the National Institute of Public Affairs.

On January 31, 1939, the President issued an executive order (No. 8044) suspending for certain positions his earlier order of June 24 (No. 7916) extending the competitive civil service, pending the report of a special committee under the chairmanship of Mr. Justice Stanley Reed.

control and facilitation; control to establish standards and prevent abuse; facilitation to the responsible operating officials in assisting them to obtain properly trained recruits and in stimulating them to their best endeavor. We are brought back, also, to the fundamental matter of organization. Where should political outlook be brought to bear? Where should it mingle with departmental experience and continuity?

We have sought to answer this latter question in our discussion of the role of the Office of the Secretary, of the political chiefs, and of the general staff. It is here, and of course in the Congress, that a fresh outlook reflective of changing social forces and objectives should be present. Seldom will the changes be abrupt. The political chiefs will have immediately available their own selections of general-staff members, who mingle, in their daily work, with experienced career officials in the auxiliary services and in the line bureaus. Where new activities are being undertaken, it may be important to bring in personnel from without the Department, or from without the government service. Although experienced career officials will be needed to enable the new unit to operate with least friction and waste, appointments from outside should be the exception if the benefits of a career service are to be gained.

Outside Appointments Reduced by Training and Promotion

A good training and promotion system, operating throughout the civil services of all levels of government, should reduce the extent to which appointments from outside the civil service system may be required. The essential personal element here is less expertness in subject matter—important as that may be in a line of promotion—than wisdom and imagination and social attitude. These qualities enable their possessor to look ahead and abroad; to see around his subject; to note tendencies and trends and to appraise their relative importance; to observe persons of promise who could be put to best use on some future occasion; and to formulate clearly and persuasively new lines of policy or research to be explored. Government service, like every other current employment, does not produce enough personnel of this sort; on occasion the ordinary requirements of a guild type must be violated to find just the right man or woman. Too often "just the right person" turns out to have been selected on subjective grounds, and the "rightness" is visible only to the person making the appointment. Selections from outside, therefore, need to be scrutinized most carefully by a personnel office to avoid disturbance of morale generally and possible

misguidance of higher officials. It is important, too, that the personnel office constantly comb the Department for persons who should be developed for higher posts.

Influence of Professional and Lay Contacts

The Department had certain especially favorable circumstances mitigating the natural tendency of employments to become routine. Much of its work was done in conjunction with, and under the scrutiny of, fellow scientists and administrators in state colleges, agricultural experiment stations, and departments of forestry, agriculture, and markets. Its thousands of scientists and professional workers were members of the learned societies in their fields and had a natural desire to maintain standards that would bring prestige to the Department. We would emphasize, too, the importance of the close association in the Department's work of the civil servants with great numbers of citizens both through the Extension Service and through the network of committees of farmers and other citizens. The members of these committees might in fact be considered a kind of supplementary arm of the Department, but an arm that brought the layman's interests and attitudes to the attention of the professional. Carleton R. Ball estimates⁴⁵ that there were 892,855 "assisting citizens" on lay committees and in test-demonstration work in 1939. Some officials in the Department had already been recruited from service on these lay committees. For example, R. M. Evans, the Administrator of the A.A.A., served initially on his county A.A.A. committee in its early years.

These committees might partly meet the difficulties caused by failure

⁴⁵"Citizens Help Plan and Operate Programs," *Land Policy Review*, March-April, 1940, pp. 19-27. His figures in detail are as follows:

Members
.135,591
. 72,000
.586,600
. 36,574
. 26,753
. 547
. 4,900
. 855
. 29,035

Mr. Ball notes also the unpaid volunteer observers and reporters of basic data, such as the livestock and crop reporters (of whom there were over 500,000). See also D. A. Fitzgerald, "County Planning Summary," Soil Conservation, May, 1940, pp. 278–79, for details on the participation by farmers with technicians in the land-use planning program. Some studies of these developments by graduate students in political science were being initiated in 1940.

generally to solve the problem of relating the political interests reflected in elective officials to the experience of a career civil service. We have previously dwelt upon the gap that existed between the departments and "The Hill" and the attitude frequently held by members of Congress that the departments were not "their" agencies but the President's. Collaboration of technicians and administrative officers with lay committees might encourage further a two-way movement of experience and ideas and thus bring to a focus the importance of scientific and administrative services requiring experienced personnel and of the needs and outlook of the producer and consumer.

Effects of Political Transition

Nevertheless, the transfer of political power from a party long in power to one long out of power was inevitably accompanied by difficulties, particularly in our continental political system in which party leaders serve at the Capital as ambassadors of great regions. There was pressure not merely on behalf of party workers but also from growers, processors, or distributors of commodities for representation in administrative offices—where discretionary powers were refined to specific rules and applications—of personnel deemed of "practical experience."46 Thus, the Department was frequently accused of lowering personnel standards not only by party opponents but also by those who had been adversely affected by subject-matter policies and who felt that these policies were caused by officials too favorable to an interested group. The criticism had long been urged that the Department was too "farmer-minded," for example. It was argued in reply that the new agencies excepted from the application of the merit system regulations developed personnel standards and practices that were equivalent to the usual civil service recruitment measures and that they were able to act more promptly and with a more intimate knowledge of personnel requirements and new techniques.47

⁴⁶Since commodity interests were generally rooted in a geographic region, they would seek representation through the elected and party officials of the region. John C. Calhoun's theories of constitutional government included a frank recognition of this factor and of the idea that the policies of the "numerical majority" should be checked and balanced by those of the "concurrent majority" of the major interests, which he noted as essentially regional.

⁴⁷This argument often carried weight because of the failure to supply civil service commissions with sufficient funds to handle the business for which they were responsible. If the U. S. Civil Service Commission were given increased funds to enlarge its staff of examiners so as to permit a more detailed knowledge of department personnel needs and a more positive program of recruitment of candidates for examinations, the criticisms noted above could in large part be met. It was too frequently assumed that when a

It was also pointed out that career men continued to be moved to higher posts regardless of party changes at the top and that some of those in most responsible posts in 1939 had entered the Department in earlier administrations and were promoted after 1933. Some of the new agencies were as large as departments used to be and represented the entrance of government into relatively new fields of positive governmental policy; the appointment of higher officials from outside the ordinary lines of career was defended for these services on the ground that persons sympathetic to the objectives of the newer emphasis were needed in the period of pioneering. Such an argument certainly had less weight in positions down the line and in the field, where appointments reflecting party, factional, or interest-group pressure aroused distrust and loss of confidence as much as they might win support. Even the establishment of standards of selection for those named through patronage did not prevent, however much it might narrow or soften, the resentment of individuals or factions whose nominees were not selected; they were chiefly aware of the central fact that patronage was dispensed, even after qualifying examinations had been required.

We come back inevitably to the point that we have urged throughout this study. The stresses and strains of political transition are real; the problem of finding the highest quality of personnel for higher posts within any career grouping is difficult; and the need for positive efforts to build morale, to open up opportunity, and to develop new leadership is great. Herein lay the great challenge to the Office of Personnel. The recruitment of personnel—and their training—for positions of greatest importance was a joint responsibility of operating officials and of auxiliary services. They had an instrument of unique type and value in the well-established and greatly enlarged association of civil servant and lay citizen, of special importance out in the field, where most citizens held a view of their national government that was largely the product of their contact in practical affairs with the field official. The development of field trips of Washington officials in company with field and state officials for joint study and discussion of problems of the region was another excellent device for stimulating and widening the knowledge and outlook of civil servants. Another was the encouragement of departmental organizations that cut across bureau

statute or executive order placed more positions under the applications of merit recruitment, the victory was won and the job done. Actually there must also be proper classification based upon job analysis, the searching out of sources of supply of properly trained potential recruits, the construction of really selective tests, and the effective use of probationary periods and in-service training.

lines in regional centers, coupled with training programs, however informal. Again, the development of welfare and recreational programs and of procedures for the early investigation of grievances contributed to the improvement of morale and to the preparation of attitudes receptive to the use of in-service training opportunities.

In all that we have stated here we have had in mind not merely a few higher posts; there were positions in lower levels of the classification the importance of which was frequently overlooked. It was true, of course, that a bureau chief, or assistant bureau chief, business manager, or personnel officer possessed a wider influence and opportunity than other personnel. But few positions had greater potential, if not actual, importance than a secretary, in view of her control over the flow of business and her opportunity for facilitating the work of a unit. Then, too, even the humblest field officials might leave with perhaps hundreds or thousands of farmers or market men an impression that would largely constitute their working stereotype of what the government of the United States was like. One dishonest or complacent inspector, one arrogant or badly informed county agent or soil conservation technician might destroy in a community the essential mutual working relations between the Department and those it was established to serve; long years of extra effort might be required to repair the damage. Generally operating chiefs could best be served through the encouragement—by an alert but not too ubiquitous personnel office—of the standard personnel practices in classification, recruitment, training, and promotion, and the development of personnel procedures and relations generally.

An alert personnel service will not rest content with the maintenance of the procedures and standards of the day; it will search out new types of personnel that may later be called for because of activities that a change in policy forecasts. Hence, the participation of the Director of Personnel in general-staff work was important, since he would be responsible in part for insuring that adequate provision was made in programs for the supply of personnel equipped by training and experience for the new tasks; he should be at hand to warn against plunging into new activities when such personnel was not available. He should cooperate with operating officials in relating present and future personnel needs to the sources of supply in such training centers as schools and universities, so that recruitment needs would be integrated with courses of study.⁴⁸ Thus, a personnel service was auxiliary to the

⁴⁸See "Employment Information," a booklet issued by the Office of Personnel, July, 1939 (mimeo.), in which the activities and organization of the Department are outlined,

directive and general-staff officials and to the operating agencies as well.

THE OFFICE OF THE SOLICITOR

This Office was responsible for all the internal legal services of the Department.49 This unification was in part caused by the intimate relationship that a department solicitor must have with the Department of Justice, which prosecuted all cases in which the United States was involved.⁵⁰ It was due also to the need for a single authoritative interpretation of statutes and regulations in view of the Department's responsibility to the Congress and to the courts. Hence the Solicitor must be consulted on all questions involving interpretation of statutes, executive orders, and regulations. He participated in the drafting of departmental rules and regulations to insure statutory conformity and released those requiring publication to the Federal Register. With the Director of Budget and Finance he conducted the Department's business with the Comptroller General. He assisted in the drafting of memoranda of understanding; he reviewed all correspondence and other documents of the Secretary in which legal questions might be involved. Upon request the Office might advise with state and local authorities on legislation of interest to the Department. The Office was responsible for the drafting of proposed legislation and for following with the bureau concerned the course of bills before Congress.

Responsibilities of the Office

The regulatory laws for whose administration the Department had extensive responsibility were grouped into four categories: those that protected producers' interest, including twelve that tended to increase quality or quantity of commodities, twelve that regulated marketing conditions and prices, and five that prevented price manipulation; eleven that protected consumer interests; one dealing with conservation

the work of the Office of Personnel described, and information concerning application, examinations, and training and qualifications presented. See also "Opportunities for Professional Women in the Agricultural Services," address by Roy F. Hendrickson before the Institute of Women's Professional Relations at Washington, November 11, 1939 (Mimeo. press release of the Department).

⁴⁹The Office took over the work of the counsel formerly attached to the A.A.A. and to the Resettlement Administration. Regional field offices responsible for administering legal assistance to the F.S.A. regions were retained but were under the Solicitor's direction.

⁵⁰The Department's solicitors were formerly officers of the Department of Justice. See

The Department's solicitors were formerly officers of the Department of Justice. See John A. Fairlie, "Law Departments and Law Officers in American Governments," *Michigan Law Review*, April, 1938, p. 906, and Carl Brent Swisher, "Federal Organization of Legal Functions," *American Political Science Review*, December, 1939, pp. 973-1000.

of national resources; and two enacted to protect livestock from cruelty. In interpreting these laws, as well as in the performance of other legal work, the Office could not avoid the need for working as closely as possible with the operating officials, since no similar service existed in the line bureaus. In the preparation of a case for prosecution or in the drafting of a statute, subject matter could not be separated from a problem's legal phases. Consequently, the Office was organized to enable staff members to develop a knowledge of special fields. The following divisions were responsible for all legal work connected with the subject matter indicated by their titles: Health and Quarantine Division, Conservation and Marketing Division, Agricultural Adjustment Division, Land Policy Division, Market Stabilization Division, Farm Security Division, Title Division, and Fiscal Division.⁵¹ A Business Administration Section was in charge of the Office's business operations. Another unit, authorized by Memorandum No. 13 (October 21, 1938), was entitled "The Solicitor's Staff"; its function was indicated in the following paragraphs:

- 2. The members of the Solicitor's Staff are not vested with any supervisory control over, and are not responsible for, the operations of the several divisions, sections, units, or field branches of the Office of the Solicitor.
- 3. The function of the members of the Solicitor's Staff is to assist the Solicitor in handling the work involved in the conduct of the affairs of the Office of the Solicitor, which requires an over-all point of view.

Procedures for the Conduct of Administrative Adjudication

The development and enforcement of procedural standards under the statutes administered by the Department were major responsibilities

⁵¹The duties assigned to the Fiscal Division were illustrative of the extent and complexity of auxiliary service responsibilities. The Fiscal Division was assigned (Memorandum No.

20, October 21, 1938) all the Department's legal work connected with:
"The availability of funds for administrative expenses, such as personal services, rent,

supplies and equipment, travel, printing and binding, etc.
"Invitations to bid, contracts for services and supplies, contract bonds, space leases, and construction contracts for Department buildings (except contracts relating to the construction of resettlement projects).

"Personnel administration, including matters relating to appointments, classification,

compensation, leaves of absence, retirement, and discipline.

"Employees' indemnity and fidelity bonds.

"Claims on behalf of the Government for damage done to the personal property of the Government and claims against the Government for property damage and personal in-

"Letters patent, copyrights, and trademarks.

"Care and disposition of the personal property of the Department.

"Cooperative agreements covering scientific and experimental work by bureaus the, legal work of which has not been assigned to other divisions of the office."

of the Office. The decisions of the U.S. Supreme Court in the Morgan Cases,⁵² in which the Department's procedures were criticized, stimulated a resurvey in the Department—as in other departments—of the whole problem of administrative adjudication. The Office initiated a program of research on procedures for notice and hearing. The program illustrates two points: the contribution that an auxiliary service can make to the improvement of departmental administration and the type of research that can best be done within a government department but that can also usefully be supplemented by scholars in universities and other institutions of learning. The research included studies of the hearing procedure under the following laws:53 The Agricultural Marketing Agreement Act of 1937, the Packers and Stockyards Act of 1921, the Perishable Agricultural Commodities Act, the Commodity Exchange Act, the Sugar Act of 1937, and the Federal Food, Drug and Cosmetic Act of 1938, and the Plant Quarantine Act.

There is an obvious opportunitiy here for students of law and of political science in various parts of the country to make studies of the local aspects of administrative adjudication. It was, after all, in the field that most of these problems originated and that the early stages of a case developed.⁵⁴ Such studies would contribute to our better understanding of the processes of modern administration and of the forces affecting it and would also acquaint civil servants, including members of the Solicitor's Office, with research being done on their problems. This relationship already characterized many fields of the natural sciences in which civil servants engaged in scientific research in the Department worked in close association with their colleagues in universities and other research institutions. The social scientists have been slow in following this excellent example. Such associations

1938, pp. 10-17; and Frederick F. Blachly and Miriam E. Oatman, Federal Regulatory Action and Control (1940), especially p. 237, n. 7, that the Agricultural Marketing Agreement Act of 1937 provides, in section 1(a)-(h), for eight types of hearings.

65 These studies were being made by Ashley Sellers, on leave from his post of Professor of Law at the University of Georgia. See his article, "Administrative Law—the Extent to which S. 915 or House 4236 Would Affect the Work of the Department of Agriculture," The George Washington Law Review, VII (1939), 819, 923.

65 A member of the Office, James Kaiser Knudson, while on leave for graduate research at the Harvard Law School in 1937-38, prepared a study, "The Federal Marketing Agreements and Orders—A New Venture in Government Administrative Control." We have

⁵² 298 U. S. 468 (1936) and 304 U. S. 1 (1938). See also *Annual Report of the Solicitor*, 1938, pp. 16–17; and Frederick F. Blachly and Miriam E. Oatman, *Federal Regulatory*

ments and Orders—A New Venture in Government Administrative Control." We have had the privilege of reading a paper, "The Morgan Cases and the Administrative Process," prepared by Wallace Mendelson for a graduate seminar in public administration at the University of Wisconsin. See also A. H. Feller, "Prospectus for the Further Study of Administrative Law," Yale Law Journal, XLVII (1938), 647-62.

form one of the more subtle but also more important means of building up higher standards of administration and safeguards of the public interest.

As a further step in the rethinking of the responsibilities of the Department in administrative adjudication, the Solicitor, on February 8, 1938, defined (Memorandum No. 806) the duties of the Hearings Clerk for "all hearings and quasi-judicial proceedings before the Secretary of Agriculture or before a commission of which the Secretary of Agriculture is a member." On May 18, 1939, the Solicitor announced (Memorandum No. 10) that:

- 1. For an experimental period of not to exceed one year, there is established, effective immediately, in the Office of the Solicitor a new division, designated as the Hearing Division. . . .
- 5. Only attorneys who are detailed to the Hearing Division will serve as examiners, referees, or presiding officers in the following types of proceedings:
 - (a) Proceedings for the issuance of cease and desist orders under Sections 203, 310, and 312(b) of the Packers and Stockyards Act, 1921.
 - (b) Proceedings to issue, refuse, suspend, or revoke licenses, permits, certificates, etc., under Sections 4(g) and 6(b) of the Commodity Exchange Act; Sections 304, 311, 502(b) and 505 of the Packers and Stockyards Act, 1921; and Sections 4, 8, and 9 of the Perishable Agricultural Commodities Act.
 - (c) Proceedings to determine whether a petitioner should be exempted from a departmental order under Section 8c(15) of Public Law No. 10, 73d Congress, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937.
 - (d) Proceedings to determine whether to recommend to the Attorney General the prosecution of a person under Section 8a(7) of Public Law No. 10, 73d Congress, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937.
 - (e) Rate-making proceedings under Sections 306(e), 310, and 311 of the Packers and Stockyards Act, 1921.
- 6. The attorneys who are detailed to the Hearing Division may be designated to conduct hearings other than those enumerated in paragraph numbered 5 above.
- 7. No member of the Hearing Division will represent the Department as an attorney at any hearing conducted by the Department.

Hearings under the regulatory statutes⁵⁵ were conducted by a chairman or examiner assigned from the staff of the Solicitor's Office; another attorney from the Office represented the Department. Their duties were stated in general in Memorandum No. 21, issued by the Solicitor on October 29, 1938. The points raised are of such importance to the student of administrative law that we quote the Memorandum here in full.

Attorneys of the Solicitor's Office occasionally serve as examiners, referees, and presiding officers in conducting quasi-judicial hearings under various statutes which are administered by the Department. Attorneys serving in such capacities should bear in mind the following suggestions:

- (1) When designated to serve in the capacities referred to herein, attorneys are cautioned to exercise discretion in commenting upon any of the matters or parties involved in the proceeding before the Secretary.
- (2) No attorney should permit himself to serve in such a capacity if he holds any personal relation to, or owns any securities of, or is in any manner pecuniarily interested in any of the parties or businesses involved in the proceeding in question.
- (3) Such attorneys should regard themselves as judges rather than as advocates and hence should take every precaution, both in and out of the hearing room, to avoid even the appearance of bias or prejudice or other improper conduct.
- (4) They act as representatives of the Secretary of Agriculture and not of the Solicitor. Consequently, they are not subject to the direction or control of the Solicitor in the general performance of their duties, including such specific matters as passing upon the admissibility of evidence, motions to strike pleadings, applications for continuance,

measure provided in Section 2 that "Whenever the Secretary of Agriculture deems that the delegation of the whole or any part of any regulatory function which the Secretary is, now or hereafter, required or authorized to perform will result in the more expeditious discharge of the duties of the Department of Agriculture, he is authorized to make such delegation to any officer or employee designated under this section. The Secretary is authorized to designate officers or employees of the Department to whom functions may be delegated under this section and to assign appropriate titles to such officers or employees. The position held by any officer or employee while he is designated under this section, shall be allocated to a grade, not lower than grade 7, in the professional and scientific service provided for by the Classification Act of 1923, as amended, or to a grade, not lower than grade 14, in the clerical, administrative, and fiscal service provided for by such Act, as amended. There shall not be in the Department at any one time more than two officers or employees designated under this section. . . ." The reallocation of the Food and Drug Administration to the Federal Security Agency by Reorganization Order No. 4 relieved the Department of extensive regulatory duties.

etc. They may, however, freely avail themselves of the advice of the Solicitor on questions of law and procedure.

(5) Moreover, they should bear in mind that they represent the Secretary of Agriculture in his quasi-judicial capacity. The proceedings should be conducted with dignity and along the lines of court proceedings as nearly as may be practicable. Complainants and respondents must be fairly and courteously treated and full opportunity should be given to each party to present the material facts necessary to a prompt and proper disposition of the case. On the other hand, the examiner, referee, or presiding officer should not hesitate to exclude matter from the record which is clearly immaterial or otherwise inadmissable. Oral argument should be discouraged as much as possible, and, even when allowed upon the insistence of counsel, should be required to be brief and relevant to the matter in issue. A classic justification for the substitution of administrative procedure for that of the courts is the opportunity afforded to avoid the traditional delay of the court room. Realization of this result can only be reached through the constant and determined efforts of those in charge of such proceedings. This is particularly important in a department of the Government, such as the Department of Agriculture, where the administrative functions are so numerous and variegated as to make difficult the formulation of a coordinated code of practice and procedure to govern the conduct of administrative hearings.

It is apparent that the Office was important in the Department's general-staff work as well as in exercising auxiliary service control over the line agencies and in providing services for them. Its internal organization made possible the specialization of its personnel in the subject-matter problems confronting the line bureaus. At times, however, its contact with the work of the line bureau on the firing line must of necessity be removed, particularly on regulatory activities in the field, where action might have to be taken quickly and where the point of application of a statute or regulation might involve extremely technical matters of grades, standards, and business practices. The line official in turn might feel that by the time the materials that he had collected for the formulation of a case had cleared through his Washington office to an attorney in the Office of the Solicitor-who must in his turn clear the case with officials in the Department of Justice before a prosecution would result—the possibility for effective action had been lost or that the real issues and merits of the case had been distorted. Nor could the Office be certain that, in the administration of a marketing agreement, the officer operating at some field station for a section of a line bureau had followed adequately the necessary standards of procedure.

Contributions of the Office

The difficulty of separating sharply the contribution of an auxiliary service and that of a line bureau in an attack upon an administrative task is perhaps greatest when one attempts to define the sphere of activity of the Solicitor's Office.⁵⁶ The effort to separate "law" and "fact" has long challenged students of administrative law, who have come to see how intermingled the two usually are. In facilitating the work of a line bureau or in enforcing procedural controls the member of the Office must familiarize himself with the subject matter of the problem; he must bring to its solution a knowledge of the way in which interpretations of statutes and of previous decisions are related to the immediate issue. "Law" and "fact" are intermingled in the characteristic problems of market regulation, production adjustment, and forest management. Nevertheless, a special responsibility for research and investigation, for appraisal and invention, about methods of procedure of the line agencies fell upon the legal offices of government with the expansion of governmental functions.

In the thirties the defense tactics of those resisting this expansion stressed procedural phases of government as ground was lost in the elective, legislative, and substantive aspects of constitutional law. The result was a pressure for legislation further restrictive of operating procedures. The earlier interest in administrative law had been confined chiefly to scholars who placed developments in governmental functions and procedures within a larger setting; the later interest frequently reflected the political objective of arresting the expansion of governmental activities and of deflecting and weakening their thrust. Many operating agencies were in 1939 in a stage of transition from adjudication to participation. Government generally was less the referee at the edge of the ring, more the active participant in the planning and implementing of substantive social programs.⁵⁷

⁵⁶ See Philip M. Glick (of the Land Policy Division, Office of the Solicitor), "The Role of the Lawyer in Management," *Advanced Management*, V (1940), 66-71, 85.

The growth in the research and literature dealing with administrative law between 1915 and 1940 in the United States is further evidence of the extent and complexity of the problems created by the expansion of government and of the fact that current history is a period of transition. Woodrow Wilson prophesied this development in "The Study of Administration," Political Science Quarterly, June, 1887, pp. 197–222. See also Frankfurter, op. cit., chap. i.; Marshall E. Dimock, "The Role of Discretion in Modern Administration" in Gaus, White, and Dimock, op. cit.; Robert E. Cushman, "The Problem of the Independent Regulatory Commissions," and James Hart, "The Exercise of Rule-Making Power," in Report (With Special Studies) of the President's Committee on Administrative Management, pp. 207–49, 313–61; Frederick F. Blachly, Working Papers on Administrative Adjudication (Committee on the Judiciary, 75th Cong., 3rd sess., Committee Print); Blachly and Oatman, op. cit.; and in "Symposium on Procedural Ad-

It is within this general setting that the general-staff and auxiliary services of the Solicitor's Office must be placed. Perfunctory advice on the meaning of statute and rule, whether in drafting or in application, yields to the far more important and difficult task of bringing to the subject-matter specialist and operating official critical awareness of the need for enabling every legitimate interest to share in the evolution of policy and in the determination of conclusions. Unless there is wide-spread confidence in the integrity of those to whom discretionary power is entrusted, such power will be withheld. Particularly was this limitation true of the representation of interest groups within the official framework of government, as, for example, in the soil conservation or domestic allotment programs or in the marketing agreements program.

The problem confronting the Solicitor's Office in its research program was partly that of getting down to the firing line, to the ultimate operating units, where perhaps the lone official was dealing with the local producer, processor, and marketer, and where arrangements were made that could hardly be overturned as they ascended the hierarchical line. These were points usually remote from Washington, or even from a regional office, where legal advisers might be available. The legal researcher and counsel must saturate himself in the subject-matter problem and its setting; the subject-matter specialist must become more aware of considerations that better insure confidence in the fairness of the process.

Preventive Protection for the Consumer

In another aspect of the problem of administrative law the Solicitor's Office was best prepared to make a contribution. An assumption common among lawyers, and among those who follow their guidance in this field, is that traditional court procedures and practices are the citizen's only safeguards in his dealings with governmental officials. But these are, at best, devices that work after the event or in such a way as to bring a prohibition of governmental action at the cost of leaving

ministrative Law," *Iowa Law Review*, March, 1940, note especially the introductory remarks by Walter Gellhorn, and also Arthur W. Macmahon, "The Ordeal of Administrative Law." In 1939 the Attorney General of the United States, at the instance of the President, appointed a committee to investigate the problem of administrative practices and procedures of various governmental agencies, particularly in the exercise of their rule-making and quasi-judicial functions. Thirteen monographic reports on the practices of departments and independent commissions, prepared by the staff of the committee under the direction of Walter Gellhorn of the Columbia Law School, were published as Sen. Doc. No. 186, 76th Cong., 3d sess. Two parts deal with activities of the Department of Agriculture: Part 7, "Administration of the Grain Standards Act," and Part 11, "Administration of the Packers and Stockyards Act."

unsolved the problem attacked by government. To prohibit, on procedural grounds, the operation of a rule regulating the distribution of an article of food may insure protection to the distributor who has obtained the action, but it may leave the consumer still unprotected. Is there not some preventive safeguard that will not only provide a fair handling of the problem but will also make possible implementation of the policy established in the original law? Students of administration know that there are many types of preventive protection. The development of improved personnel practices is perhaps first among these, including the selection of trained and able personnel, the opening up of careers to the best among them, the effective organization of research on the subject-matter problems, and the creation of a professional atmosphere that strengthens the service from within against pressures from without. The stressing of developments of internal procedures whereby staff members are trained to improve the techniques of investigation and hearing, as well as of preparing appeals, may well be a positive contribution of the Solicitor's Office.

The Department had much in its experience that would contribute to this richer and more creative approach to problems of administrative law. We have presented some of these contributions in our description of general-staff and auxiliary services. We have indicated the important possibilities in the use of advisory and administrative committees of laymen; the cross-fire of experience and collaboration that came from the parallel action of national and state officials within the same field of research and management; the importance of professional standards and traditions that had been built up in fields of research and administration. These methods were among the safeguards operating undramatically but steadily, and in a positive and preventive way, as against the more dramatic but sporadic safeguards of judicial action upon which most attention is usually centered. To overstress the latter is to neglect and perhaps even to injure the former, which are the more important in the day-to-day activity of the administrative official working on the firing line and at the grass roots.

Our sampling of the organization and procedure of the Department's operating agencies and our awareness of the intricacy of the subject-matter problems that they attacked lead us to be skeptical of over-all conclusions about procedure except those of the most general kind. Careful organization of line, staff, and auxiliary services; good fiscal, personnel, and purchasing methods; collaboration on common problems with officials of the other levels of government; responsible associa-

tion of citizen committees with the gathering of relevant information and the exploration of problems of policy; constant reappraisal of techniques of hearings and appeals, by officials not responsible for their conduct; sampling by the operating chiefs' general staffs of the adequacy of hearings and rule-making as the dockets move up the hierarchy these are the elements that seem to us to constitute the best balance between the protection of all persons concerned and the accomplishment of the Department's tasks.

The Role of Outside Agencies

Outside agencies had a valuable role in the problems of administrative law. Such studies as those initiated by the Senate Committee on the Judiciary and by the Department of Justice were important. So. too, were those undertaken by the law schools and departments of political science and institutions of government research generally. We would, however, make this suggestion: We believe that if students were to take a commodity, such as milk or cotton, and trace in concrete detail the relation of government to the production, processing, and distribution of that commodity within their own regions, at least, fresh light would be thrown upon the general problem of administrative law by the accumulation of knowledge acquired from such a point of view. The operations of a particular unit or the practices followed in a particular agency or under a single statute are, of course, valuable points of attack for research; but in separating out a single phase of the impingement of government upon a commodity they tell only a part of the story and present us with a distorted interpretation. We believe that many such studies, conducted at many centers, will give us a betterinformed interpretation than exclusive reliance on studies of procedure of an agency at Washington. There is the further advantage that research will be encouraged at centers more convenient to regional and field operations and involving more than one level of government.⁵⁸

THE OFFICE OF INFORMATION

The publicity work of government departments is a topic of great controversy. Suspicion of officials engaged in this work antedated the World War; an act passed in 1913 revealed the attitude of watchfulness characterizing the Congressional viewpoint on the matter.⁵⁹ Another

⁵⁸ See Blachly and Oatman, Administrative Legislation and Adjudication, pp. 271-73, for a survey of "Materials Available" on administrative law.
⁵⁹ This act (39 Stat. L. 312) is discussed by McCamy, op. cit., p. 3. It forbids the spending of any part of an appropriation for "publicity experts" unless Congress has made specific allocation for that purpose.

act, passed in 1919,60 prohibited the use of any part of any appropriation for services, messages, or publications designed to influence any Congressman's attitude toward legislation or appropriations. The determination of a proper policy on the supply of information by a governmental department was an increasingly difficult problem.61

Importance of Informational Services

Yet by 1940 much governmental activity, well illustrated by the analysis of the activities of the Department of Agriculture, consisted in the supply of services to citizens with no compulsion or police power involved. Whether the services would be used depended partly upon citizens' information about them. Even the activities behind which there was some form of compulsion would generally be more effective if they were supported by a positive and informed attitude of consent by citizens. Governmental activities, too, were almost as complex and technical as the problems with which they were authorized to deal. And it was easy for the administrator to become farther and farther detached from the outlook of the average citizen for whom, nevertheless, he was acting as agent. The layman who needed protection from adulterated foods or from drugs, the harmful effects of which might not yet be understood, must leave to the specialist the practical application of a general principle; yet he must be at least well enough informed to lend support to services that were established for his protection.

Informational service, however, is not—or should not be—a one-way process. It is important for the administrator who must exercise some discretion in applying a statute to have an appreciation and understanding of the situation to which the statute applies and of the attitudes of the people who will be affected. Through the sharing of experience and knowledge some gains will be made toward the solution of the problem that is being attacked. In this sense good administration is education in action—the education of the citizen affected and of the administrative

00 14 Stat. L. 68.

[&]quot;14 Stat. L. 68.

"The subject is discussed by McCamy, op. cit. There is also an unpublished doctoral thesis in the library of the University of Wisconsin by Egbert Wengert on "The Public Relations of Selected Federal Agencies." Both Mr. McCamy and Mr. Wengert have valuable material on the Department of Agriculture. See A. A. Mercey (former Assistant Director of Information of the F.S.A.), "Modernizing Federal Publicity," Public Opinion Quarterly, July, 1937, pp. 87-94. Alfred D. Stedman, former Assistant Administrator of the A.A.A. and in charge of its information work, presented a paper on "Public Policies in Information Developed by the A.A.A." before the American Political Science Association at its meeting in Columbus, Ohio, on December 29, 1938 (mimeographed by the A.A.A.). The current program of the Office of Information was presented in Hearings on the Agricultural Department Appropriation Bill for 1940, pp. 98-116.

officials. Hence information work cannot be isolated from the subject-matter operations of the line agency; like budget and personnel matters, it is a part of operations; yet, also like them, there are ways in which an agency or a person assigned to deal with problems of information can contribute to the line agency and facilitate its work.⁶²

The development of informational policies by government departments was complicated by the controversial nature of many programs about which information must be supplied to the public; another factor was the lack, in general, in commercial channels of a personnel trained sufficiently in special subject matters. There were, for example, few Washington correspondents⁶³—perhaps six at most—who had acquainted themselves with agricultural problems. Although these general considerations were applicable to its informational work, the Department had a basic obligation, that derived from its organic act, to diffuse knowledge on agricultural problems. In fact, the Department might be thought of quite properly as having been established as an agricultural information center for the nation as a whole and for farmers in particular. Consequently, the program of information was one of the most important aspects of its work. Secretary Houston, in his reappraisal of the Department's function, gave special attention to this informational work and sought the advice of Walter Hines Page in reorganizing it.

The control aspects of this auxiliary function rested upon statutory provisions that gave to the department head the supervision of printing and of the use of illustrations in publications. This responsibility was not a minor item, for the Congress was particularly sensitive about such matters. The Government Printing Office was not an executive agency in the ordinary sense but was under the immediate supervision of the Congressional Joint Committee on Printing; every effort was made to concentrate government printing in this agency.⁶⁴

⁶² See McCamy, op. cit., especially chaps. i, viii, and ix, for a discussion of these larger questions of policy in the light of concrete developments.

⁶⁸ The equipment of the Washington correspondents as reporters and interpreters of the work of the departments is analyzed in Leo Rosten, The Washington Correspondents (1937).
64 Exceptions were made for certain types of printing necessary for operations in the field. A watchful control was also exercised over various types of duplication of materials. This control was exercised in part through the Comptroller General. The problem of printing and duplicating is covered in the Letter to the Joint Committee on Printing from the Director of the Budget Submitting the Report of the Select Committee Designated to Make a Study of the Production and Distribution Methods of Printed, Processed, and Duplicated Matter Published for the Use of the Executive Branch of the Government, 75th Cong., 3rd sess. (1938). M. S. Eisenhower, Director of Information of the Department of Agriculture, was a member of the Select Committee. The President, by Executive Order No. 7998, October 29, 1938, established an Interdepartmental Committee on Printing and

Media of Disseminating Information

The Office of Information was responsible for the development of general departmental information policies and for the allocation to the various line agencies of the printing funds authorized in the appropriation acts. In the thirties the authority to spend for informational work was sometimes conferred directly upon new agencies, such as the A.A.A. and the F.S.A.; but there was a tendency to bring the administration of these funds within the policies laid down by the Department Office. The work of the Office fell naturally into divisions that dealt with the press, with radio, with publications and reports, with relations with the Government Printing Office, and with the provision of services, such as duplicating work, indexing, and correspondence on questions for information. It was responsible also for the preparation of the *Annual Report*, of the *Yearbook*, and of a daily digest of news and magazine articles relevant to the Department's work.

The development of new forms of communication, such as radio and moving and talking pictures, has increased the need for greater attention to problems both of policy and of technique in the informational work of departments. Morse Salisbury, Acting Director of Information (in 1939), who had for many years been the Chief of the Radio Service, was the author of a report⁶⁶ on the experience of the Department in broadcasting information. The Radio Service was established in 1926, but broadcasting by the Department began on an experimental basis with the distribution of market reports in December, 1920. The three thousandth National Farm and Home Hour broadcast was made on June 27, 1938. A varied and extensive radio program was developed by the Radio Service, which broadcast only in the time made available by stations and did not accept commercial sponsorship to finance the broadcasting of information.⁶⁷

Public Relations and Departmental Policy

The need of relating a departmental auxiliary service to that of a line bureau is obvious. If the various specialized researches and activities

⁶⁵In the 1940 Appropriation Act some of these funds were actually transferred to the Department's Office of Information.

66 The report was made to the Federal Communications Commission in 1934.

Processing. Under Section 5 of the Order "The Committee shall promulgate rules and regulations relating to the establishment, coordination, and maintenance of uniform policies and procedures, consistent with law, for the efficient and economical utilization of printing and processing in the executive branch of the Government."

⁶⁷Departmental Regulations 1215 and 1241 relate to this point. See also Memoranda of the Director of Information dated September 7, 1937, and August 20, 1938, and Extension Service Circular Letters 387, June 17, 1937, and 410, August 24, 1938, on radio policy.

generally were to be presented freshly and if the operating official was to have the benefit of advice on the most effective way in which to present the results of his work, the bureau auxiliary service must be allowed initiative and discretion. At the same time, one activity of the Department might be presented in such a way as to give a distorted view of the work of the Department as a whole. New activities administered by crusaders and enthusiasts who had a natural feeling of responsibility for creating public interest and support for them might overshadow the older activities upon which the new were constructed. Here again the Office of Information was called upon not only to exercise the control duties of the Secretary but to serve in a general-staff capacity in helping to integrate bureau policies.

The Office of Information had the important responsibility of channeling all departmental material on a state's agricultural problems through the extension editor in that state so that it would fit with the information supplied by the state land-grant agencies.⁶⁸ An important part of the Department's technical informational services was provided through the Extension Information Division of the Extension Service and the information units of the line agencies, notably the F.S.A., whose documentary photography attracted wide attention. This Division had long been responsible for the preparation of films and film strips, exhibits, and the channeling of information to the state extension editors. 69 The use in later years of newer formats and of more illustrations caused some dispute: on the one hand, there was a desire to find a more interesting and pleasing type of publication; on the other, a fear of breaking too sharply with a form of presentation to which those using departmental publications had grown accustomed. Here again the determination of apparently minor and technical details involved larger questions of policy, including the Department's relations to the public generally.

Questions of general departmental policy were reflected perhaps most clearly in the preparation of the Secretary's Report and of the Yearbook. Here a more conscious effort could be made to relate the Department's many activities to some central theme or statement of purpose and function. We found this attempt in the Houston reports and in the series of Yearbook's published during the administration of Secretary

⁶⁸Departmental Regulation 1212, governing cooperation with state extension editors, states that "The Director of Information will coordinate the informational programs of the Department with those of the States. This will necessitate clearing much of the Department's information through State editorial offices, so that it may be adapted to local conditions. Publications and releases to newspapers and radio stations should be regionalized as far as possible."

⁶⁹ See the Extension Service Review, August, 1939, for articles on the use of films.

H. C. Wallace.⁷⁰ The 1938 Yearbook, entitled Soils and Men, was an excellent illustration of this conscious effort to emphasize unity in the presentation of the Department's work; a similar effort at synthesis about a major theme was being stressed for the 1939, 1940, and 1941 Yearbooks. Another point at which the information officials could assist in synthesizing and interpreting the Department's work was in the preparation of news releases and of materials for news conferences and public addresses, especially for the Secretary's weekly press conference, addresses, and official statements.

An information officer's experience should familiarize him both with the techniques of his field and with the problems confronting the operating officers in his unit. He is forced constantly to evaluate and appraise. Hence, information work is one of the reservoirs from which personnel for general-staff and auxiliary services is drawn. Thus, Mr. Eisenhower, the Director of Information, was assigned to coordinate the Department's land-use activities; Mr. Hendrickson was made the Director of Personnel after service in the Division of Information of the B.A.E.; and Mr. Fleming, also of the latter office, was one of the major staff officials of the reorganized B.A.E.⁷¹

The informational services of a department may properly be considered as only one part of the important two-way relationship of the official and the public he serves. The larger aspects of public relations extend beyond the supply of press releases and bulletins. This development of activities was illustrated in the Department not only by the use of new techniques, such as the radio, the movie, and photography, but also by the face-to-face relationships of the Extension Service and other line agencies that worked with and through committees of citizens in the local community. There was thus an opportunity to check at first hand the effectiveness of departmental information techniques as gauged by the attitudes of citizens throughout the country.

THE DEPARTMENT LIBRARY

The Department Library, which was supplemented by several bureau libraries, was one of the oldest of the Department's auxiliary service units; it was perhaps the first to develop the modern techniques ap-

⁷⁰Henry C. Taylor, first Chief of the B.A.E., was associated with the planning of these Yearbooks.

⁷¹The value of experience in extension and Department information work is reflected in the writings of Russell Lord, op. cit. On the training of information officials, see the chapter on personnel by McCamy, op. cit., and A. A. Mercey, "School for Federal Publicity Men at American University," Public Opinion Quarterly, April, 1938, p. 324.

propriate to its work.⁷² In its relations to the bureau libraries, as well as to the Library of Congress, the value of a centralized service based upon a standard classification of subject matter was illustrated. The controls that it exercised in library work were relatively few and simple and were based upon policies laid down by the Secretary. 73 All purchases of books and periodicals were made either through the Department Library or by bureau libraries under authority delegated by the Librarian. The concentration of this authority in the Department Librarian was encouraged by an act of 1897⁷⁴ that prohibited the purchase of books and materials by any governmental agency out of its appropriations unless it received specific Congressional authorization. For many years such authorization was not given to any of the bureau libraries. But after 1921 several acts included authorization for the purchase of books, periodicals, and other publications by the agency administering the act in question.75

One reason for the development of bureau libraries, particularly in such a unit as the B.A.E., was the increased emphasis in library work on rendering research services to operating officials in contrast to the general conception of a library as a place where books are stored. Much library work in bureau and departmental libraries was really an aspect of general-staff work, consisting as it did of the accumulation and evaluation of materials on a problem being investigated by the officials of the unit concerned. Hence it was important to have the librarian working closely with the agency's subject-matter problems so that materials would be at hand to meet the officials' needs. Thus, well-prepared library materials played a real part in the framing of policy.

The Department's library resources were integrated through the use of a standard classification and through the maintenance of a catalog in the Department Library in which the contents of the bureau libraries were also recorded. Two of the bureau libraries—those of the Bureaus

⁷² Since 1893 the post of Chief Librarian of the Department has been filled through competitive examinations of the Civil Service Commission.

⁷⁸ For a statement of policy see Memorandum No. 880, issued by the Secretary on February 25, 1939, which reads: "In order to insure continued cooperation and unity in the library work of the Department, general oversight over all library work in the Department is assigned to the Department Librarian.

[&]quot;All recommendations for appointments to positions in library work in bureaus and offices shall be forwarded to the Office of Personnel only after consultation with the Department Librarian, and after the latter's approval is indicated by concurrence appropriately shown on the recommendation."

^{74 30} Stat. L. 277. The Library of Congress was completed in 1897, where, according to

popular thought, would be concentrated the library work of all departments.

75 A typewritten copy of these provisions covering about twenty-seven statutory provisions was prepared in the Library of the B.A.E.

of Plant Industry and of Dairy Industry—were physically adjacent to the Department Library; only two floors above it was the largest bureau library, that of the B.A.E. The A.A.A. did not establish its own library but paid for additional personnel in the Department Library. At meetings for the staffs of the Department and of bureau libraries, common problems were discussed and efforts made to integrate library services. There were daily exchanges of books with the Library of Congress; the Department and bureau libraries were, of course, relatively specialized in their purchases and could draw upon the Library of Congress to meet more general requirements. A balance existed between adaptation to the operating bureau's more intimate needs and the pooling of resources in order to facilitate the Department's needs generally.

THE OFFICE OF PLANT AND OPERATIONS

The Department's buildings in Washington, extensive as they appear to the visitor, reflect only a part of the housing problem. Only gradually, too, does the visitor come to appreciate how extensive must be the physical provision for equipment and for communication. These matters are often ignored in the consideration of administrative problems; and yet the quality of administration is profoundly affected by the housing of officials, by the way in which activities are physically located, by the ease of communication, and by the adequacy of the equipment. What had been for many years a Division of Operations became on March 1, 1939, the Office of Plant and Operations with extensive responsibilities outlined by the Secretary in a memorandum (No. 809, February 27, 1939) in which he emphasized the planning of efficient housing of departmental activities and other duties.

A housing plan for the Department raised important questions of policy. Should the laboratory researches conducted in Washington be transferred to the research center at Beltsville, Maryland? Should much of the Washington research be transferred to regional laboratories, to field stations, and to laboratories at state experiment stations? In these decisions would be reflected the question of a regional approach to many problems, as well as the question of collaborative research with state agricultural research agencies.

The allocation of space in the field and in Washington would also reflect such questions as the grouping within easy physical communication of general-staff and auxiliary officials and the location in the main buildings of the chiefs of bureaus whose organizations might largely be housed in buildings scattered about the city. In 1938 a committee, of

which the Director of Personnel was chairman, surveyed the Department's space problems and submitted a report upon which the Secretary based his "Memorandum for Chiefs of Bureaus and Offices" (October 5, 1938) outlining standards for space allocation. The committee recommended that it "continue the examination of space assignments in the District of Columbia with particular reference to relieving the congestion by transferring organizations to the field. This involves important fundamental departmental policies and this study must necessarily involve a complete examination of all the factors." The work of this committee was assigned to the new Office.

The Office was responsible also for the administration of mails, files, and the Department's post office; telephones and telegraphs; motor transport; all real estate; the general information service maintained at the entrance to the main building; and the preparation "by collaborative methods with the operating bureaus" of departmental standards for equipment. This latter function was performed by the Office through a Technical Advisory Board, whose functions were outlined by the Secretary (Memorandum No. 819). Some of the operating bureaus were represented on this Board by liaison officers. The preparation of standard specifications for equipment and the testing and recording of performance of equipment obviously brought the work of this Board and of the Office into relationship with the purchasing activities of the Department and of the government generally. The Office of Plant and Operations also performed management services for the Office of the Secretary, such as the preparation of budget estimates; the Beltsville Center, a unit that provided physical services to the various operating bureaus conducting research work at Beltsville, reported to this Office.

The sheer volume of communications of a great Department, as well as of its space requirements, is tremendous. In his 1938 report the Chief of the then Division of Operations stated that there were, during the year covered by his report, 9,313,955 pieces of incoming mail and 8,123,753 pieces of outgoing mail. In the same year there were 4,523 telephones in the Department, from which there were 6,164,700 branch-to-branch calls and 1,484,829 incoming trunk calls.⁷⁷ The Office maintained a close liaison with other departments, particularly the Post Office and the new Federal Works Agency, about space allocation in federally owned structures outside the District of Columbia and the maintenance

⁷⁶This memorandum is reproduced in Appendix C below, at page 509.

The space occupied by the Department in Washington and in the field was given for each bureau in Report of the Chief of the Division of Operations, 1938, p. 9.

and custody of the Washington buildings. In the thirties its activity increased in connection with construction of buildings under the Emergency Public Works program for use by the Department.

THE OFFICE OF EXPERIMENT STATIONS AND THE EXTENSION SERVICE

The activities of the Office of Experiment Stations and of the Extension Service included aspects of general-staff work, of auxiliary services, and of line operations. In 1939 the Chief of the Office of Experiment Stations was also the Director of Research; by virtue of the latter office he was an important member of the Department's general staff, participating in the planning of the departmental research program. The appropriation of funds for research to be allocated by the Secretary placed major responsibilities on the Director of Research for the formulation of departmental policies. The importance of the Department's relations to the state land-grant institutions similarly called for the participation of the Director of Extension in the formulation of departmental policies.

Problems Similar in Both Offices

The two offices were similar in the nature of the duties that called them into existence. Both administered in detail the grant-in-aid systems through which funds were made available to the state agricultural experiment stations and to the cooperative extension services. Both offices had the task of relating research and information of the Department's line bureaus to the work done in the state experiment stations and extension services. In administering the grant-in-aid they might be considered as line bureaus of the Department; their relating of the Department to state work grew out of this activity, but they might also be considered auxiliary services since they were designed to facilitate the work of the line bureaus by integrating it more effectively on the basis of agreements with the state institutions.

⁷⁸We do not include an extended account of these systems since they have already been described and appraised in an earlier study made for the Committee on Public Administration of the Social Science Research Council by V. O. Key, Jr., *The Administration of Federal Grants to the States* (1937). Mr. Key's discussion of the agricultural experiment and extension programs by topics will be found in the pages indicated herewith: history, pp. 7–10; techniques of administration, pp. 28–31; state plans, pp. 24–57; personnel, pp. 95–97, 99–100; withdrawal of federal cooperation, pp. 161–67; relations with the Association of Land Grant Colleges and Universities, pp. 180–81, 188–90, 193, 199–230; state organization, pp. 232–38; state personnel, pp. 267, 275–78, 298–99, 309, 331; the division of costs, pp. 320–23, 355.

Both offices also had similar lines of relationship. Their relatively small staffs included subject-matter specialists who were responsible for keeping themselves informed of work done in their fields by the departments and the state agencies. These specialists were not responsible for enforcing the statutory requirements covering the grants-in-aid but were concerned primarily with research and extension programs in their fields. Both agencies had close relationships with the Association of Land Grant Colleges and Universities through the joint committees of that Association and the Department, as well as through the annual conventions of the Association.⁷⁹

The two offices were similar also in the extremely difficult problem of relationships faced by the subject-matter specialists—a problem akin to that confronting administrative officers in educational institutions. It was their duty to facilitate research or extension activities by the actual researcher and extension worker, just as it was the duty of the educational administrator to facilitate research and instruction in his institution. They were in the difficult position of seeming to talk about problems from a point remote from the firing line.

Their association with a process of appraisal upon which the granting or the withholding of funds was based also increased the difficulty of their position. The person doing important pioneer work in a field was the one who would influence fellow workers. Hence, the problem of the two offices was one of assisting such workers in the national and state agencies through facilitating effective collaboration. Their task was not made easier by the fact that the scholar, as he became more specialized in his field, was apt to become at the same time resentful of a group program that might seem to limit his complete freedom of action. The chance element in research—the fact that new discoveries might come at any time or new objectives might appear suddenly—was a related difficulty. Routines established in various subject matters were challenged by such new developments; it was not easy to prevent these routines from standing in the way of pioneer and original work. The

⁷⁹The *Proceedings* of the annual convention, published by the executive committee of the Association each year, are a rich source of material for the study of these relationships. The *Proceedings* of the fifty-first annual convention, held in Washington on November 14–17, 1937, were marked by the celebration of the seventy-fifth anniversary of the first Morrill Act and of the establishment of the Department of Agriculture and the fiftieth anniversary of the Hatch Act. Many of the papers published in this *Proceedings* present valuable historical summaries of the development of land-grant colleges, of agricultural research, and related matters. Carleton R. Ball, *op. cit.*, presents in great detail illustrations of cooperation in research and extension work between the national and state agencies and appraises this relationship in chap. i, "Principles and Practices of Cooperation." He does not, however, present an account of the offices discussed here.

same point applied to the inclusion of a new field of interest in the research program, such as the authorization of research in the social sciences by the Purnell Act.

Problems of the Office of Experiment Stations

The two offices had, of course, distinctive problems of their own. The Office of Experiment Stations⁸⁰ was confronted with the need for encouraging collaboration in research, which was in 1939 distributed among many agencies and located at widely scattered points. Some of this research must be divided by the boundaries fixed by constitutional considerations. The state experiment stations existed as such because there were forty-eight states in the Union (there were also experiment stations in Alaska, Hawaii, and Puerto Rico). These political units did not coincide with the areas determined by natural resources as most suitable for particular types of farming. The type-of-farming region would have its own research problems, and yet the region might extend over parts of several states, no one of which gave adequate treatment to the regional problems. Interstate cooperation, although much discussed, was, as yet, relatively slight, so great was the natural pressure of groups in each state to spend all the available research funds on problems of interest to the group, which might not, however, adequately reflect the problems of the interstate region.

Sometimes it was difficult, also, to obtain reimbursement from state funds for the travel needed to enable state experiment station officials to visit other states for conferences on problems of common interest. Legislatures and budget control officials were usually particularly critical of travel items as evidence of "junkets." The nice integration of the research programs of two or more institutions was no easy administrative task. Field stations of the Department bureaus were partially a response to this problem, but they in turn offered a problem of coordination with the state experiment stations. Later by means of increased funds for a departmental research program the Department was able to initiate, through the Director of Research, a series of regional research projects that were coordinated with state experiment stations; there was

⁸⁰The responsibilities of the Office of Experiment Stations as a line bureau administering grants-in-aid are based on provisions printed in Misc. Pub. No. 348, Federal Legislation, Regulations and Rulings Affecting the State Agricultural Experiment Stations. The Journal of Agricultural Research is published by a joint committee of the Department and the Association of Land Grant Colleges and Universities. The Office of Experiment Stations publishes the Experiment Station Record, which consists of abstracts of the research projects of the experiment stations prepared by the subject-matter specialists of the staff.

also a program of regional laboratories for research in new uses for surplus agricultural products.81

Probably no really effective program of coordination that fits a natural region can be developed unless there is a strong regional consciousness and leadership exercised through some regional organization. Neither the bureau of the Department in Washington, with its natural bureau emphasis, nor a state agency with its own pressures and loyalties can be expected to see the problems of a natural region as a whole. For this reason the program of research and extension that was initiated through the T.V.A. was of great significance.82 It was based upon an agreement between the Authority and the land-grant colleges of the region and the Department of Agriculture and administered through a coordinating committee. There seemed to be a need for a regional organization about which effort could be focused before a regional attack could be made effective. Nevertheless, the Department had a responsibility, through its general planning of research, to relate its own research and that of the state experiment stations to a common attack upon regional problems, even in the absence of regional organizations.

Work of the Extension Service

The Extension Service⁸³ had two responsibilities auxiliary to the line bureaus. The first of these was the preparation of exhibits and films and their distribution. The second, like the first, might be considered an aspect of the Department's general informational services, but it was

St Problems of agricultural research and of the place of the new types of laboratories are discussed in the *Hearings on the Agricultural Department Appropriation Bill for 1940*, pp. 119-71; see also pp. 436-88, 860-79, 1030, 1288-1302 for pertinent materials on research. Two documents (mimeo.) of interest in the establishment of the four regional research laboratories are the "Report by the Special Department Committee on Major Farm Producing Areas and Commodities for Research Laboratories," presented in August, 1938, summarized in Appendix E below at page 518, and an address, "The Background and Review of the Four Regional Research Laboratories," by Henry Knight, Chief of the Bureau of Agricultural Chemistry and Engineering, before the National Farm Chemurgic Conference, Jackson, Mississippi, on March 29, 1939.

82 See A Study of the Work of the Land-Grant Colleges in the Tennessee Valley Area in Cooperation with the Tennessee Valley Authority (1939), prepared by Carleton R. Ball, the Executive Secretary of the Coordinating Committee. The Coordinating Committee con-

the Executive Secretary of the Coordinating Committee. The Coordinating Committee consisted of Thomas P. Cooper of the College of Agriculture of the University of Kentucky, Chairman; Clyde W. Warburton, Director of Extension, U. S. Department of Agriculture; and J. C. McAmis, Director of the Department of Agricultural Relations, T.V.A.

**Its activities are reviewed in the Hearings on the Agricultural Department Appropriation Bill for 1940, pp. 171–240. See also Misc. Pub. No. 285, Federal Legislation, Regulations and Rulings Affecting Cooperative Extension Work in Agriculture and Home Economics; the Proceedings of the annual convention of the Association of Land Grant Colleges and Universities. The Extension Saving Paging, published monthly by the Services. Colleges and Universities; the Extension Service Reveiw, published monthly by the Service; and Gladys Baker, op. cit.

provided in the form of direct contact with farmers and groups of farmers through the county agents. Here, too, material originating in the special fields of the different line bureaus must be translated into a form appropriate to and usable by state extension services. This task was performed by the subject-matter specialists in the Extension Service at Washington, who spent much of their time in the field on consultation with state extension specialists.

The Extension Service underwent some administrative changes in 1939. The administration of the grant-in-aid program was placed in the Office of the Director. A Division of Administration was made responsible for the personnel and financial work of the Service. There were three other divisions. The Division of Field Coordination directed the development of the national-state programs and plans of extension work of the national action agencies. A Section on Surveys and Reports was devoted to the study of extension methods and techniques. The Organization and Planning Section of this Division operated through a personnel whose time was devoted to the work of the agricultural agents, the home-demonstration agents, 4-H Club work, work with older youth, and Negro programs.

A Division of Subject Matter selected for extension use the materials from the Department's line bureaus suitable for program-building. Among the subject-matter specialties represented on the staff were animal husbandry, agronomy, poultry, plant pathology, entomology, forestry, home management, nutrition, parent education, recreation, dairying, rural population, meats, farm credit, grain standards, and agricultural economics. The Division of Extension Information was responsible for the coordination and preparation of informational material for the state extension editors, for "education by visual aids"—photos, film strips, and graphics—and for the preparation and distribution of motion pictures and agricultural exhibits.

The special problem that confronted the Extension Service in 1939 was the formulation of its program in the light of the Department's relations generally to state agencies. This was not entirely a problem produced by the New Deal programs: it reflected current general economic and social changes. The development of a forestry program after 1910 brought farm-forestry within the orbit of public efforts to encourage better forestry practices and the best adaptation of land to use. The development of marketing programs raised the question of the

⁸⁴See the Department's press release of January 27, 1939, and Extension Service Memorandum No. 34, January 26, 1939.

relation of state marketing and consumer-protection activities to the land-grant institutions as well as to the Department. It is true, however, that the emergence of the Resettlement Administration out of the relief program and its development of a local organization, and similarly the rise of the Soil Conservation Service with its regional, state, and project organization, occasioned resentment by state extension officials on the ground that their relations with farmers were being paralleled by the new services. Nor was this all. Under the A.A.A. stimulus, county and local community committees of farmers administered adjustment programs and developed local agricultural planning programs. Yocational education programs in agriculture and in home economics in the rural schools, and their use for adults as well as for youth, were another development that would call for a reappraisal of the relations among governmental services available to rural people in their local communities.

The Two Offices and Land Grant Institutions

The relationship both of the Office of Experiment Stations and of the Extension Service to the land-grant institutions and their Association, as well as to the Department's bureaus, somewhat obscured and confused their position in the Department. In a sense they were ambassadors of the state institutions, and yet they must also serve as ambassadors to the state institutions representing the Department's policies. Policies on the two levels could not be expected to be in complete agreement. There were always differences between local and national interests on agricultural policy. Initiative in the development of new fields came more naturally from a line bureau that felt the responsibility of presenting a particular program perhaps beyond the point of acceptance in some, or even most, of the states. The national Department, on the other hand, felt the urgent pressures represented in the Congress; it was also, and equally naturally, more alive to considerations—such as regional problems—that extended beyond the boundaries of a single state. 86 There is no easy solution to this historic dilemma of state versus

⁸⁵See above, pp. 149-59. Will the state B.A.E. representative work with and through the state extension services?

⁸⁶ Congressmen also pressed for the initiation of research, including the establishment of field stations, in response to the interest of groups of constituents, and obtained appropriations for such projects. The Department might be placed in an embarrassing relationship with the state experiment station serving the area, which felt that it was the organization to which the farmers should turn. Examples of appeals by Congressmen for departmental programs will be found in the *Hearings on the Agricultural Department Appropriation Bill for 1940*, pp. 1310–1720. More than fifty representatives appeared before the Sub-

regional or national interests, which inheres in the federal system.87 The moves that were made in the thirties to bring the national programs into better integration with the interests of the state land-grant institutions must be paralleled, if they were to be effective, by a more conscious and determined preparation by the states and by the counties of their own programs and by a greater willingness of the states to act in cooperation with each other and with the national government on regional problems. Such developments in the states would require also a greater willingness of all state agencies, such as the land-grant institutions, the departments of conservation, agriculture and markets, and similar agencies, to work together; state planning boards would seem to be the natural agency through which such collaboration might be obtained. The pioneer work and the substantial achievements of the Extension Service suggested that it had a major contribution to make toward this further development of local and state programs that would bring the rural areas into a more effective and responsible share in the attack upon state problems as a whole.88 There was always the danger that a particular service, such as that of agricultural administration, would injure itself by becoming too self-centered. At the same time, it might bring to the common counsels of a state or a local community a more practical and concrete experience and viewpoint than had been characteristic of community planning in the past. It was such considerations as these, as well as their daily activities, that the two offices might present through their Directors in the Department's general-staff work.

committee on the Agricultural Appropriation Bill on behalf of more than thirty projects. Among the topics on which recommendations were made were pest and disease control (white beetle, dogfly, corn borer, cereal insects, tobacco weevil, alfalfa wilt, blister rust); water facilities; citrus products research; shelterbelt; range experiment stations; dry-land farming experiment stations; various state and territorial agricultural and forest experiment stations and projects; ski trolley for a national forest for winter sports programs; research on sugar cane machinery. Several pressure groups also appeared to urge projects. Thus, the Almond Growers Exchange desired the Department to make studies of nut culture.

⁸⁷The attrition between national and state agencies, and in fact between bureau and bureau, might be viewed as a substitute for the supposed stimulus that a system of free enterprise is presumed to supply. Abstract theories of regimentation by government in the United States overlook the jealous scrutiny to which the program and procedure of an agency on one level of government are subjected by its counterpart on another level. This reflects and invites a certain amount of ill-feeling and friction, but one must pay for

the luxury of federalism.

ss There is an immense opportunity open to the schools and colleges, through the leadership of the land-grant institutions, to acquaint students with the resources and problems of their local communities, states, and regions, and thus develop a more alert, sensitive, and informed local and state leadership. The realization of this opportunity depends upon shifting the emphasis from subject-matter and department specialization to a focus upon the community, so that the use of specialized knowledge will be motivated and synthesized.

OTHER TYPES OF AUXILIARY SERVICES

The auxiliary services that we have described might be considered the Department's basic auxiliary institutions. In addition, there were others of later establishment that might be cited; from time to time temporary auxiliary services might be identified. The Office of Land Use Coordination, for example, was attempting to effect a more coherent policy for the mapping and survey work of the various line bureaus. There again was an activity that required coordination of several levels of government, for the same task needed to be done by the states.

The Office of C.C.C. Activities was established in the Office of the Secretary (by Memorandum No. 769, July 27, 1938) to coordinate throughout the Department the administration of C.C.C. programs and to represent the Department on the Advisory Council of the Director of the C.C.C. Officials might be drawn from line bureaus and auxiliary agencies for service on *ad hoc* committees, such as the committee on the use of sound slide films, or on continuing interbureau or interdepartmental committees, such as the Central Statistical Board, ⁸⁹ the Federal Real Estate Board, ⁹⁰ and the Interdepartmental Group on Photographic Papers and Films. Department of Agriculture clearance with the Central Statistical Board was through the Statistics Committee established by the Secretary on June 2, 1939 (Memorandum No. 829). The duties assigned to it by the Secretary illustrate the role of auxiliary committees generally. They were of such importance that the memorandum is reproduced in Appendix C. ⁹¹

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Considered as a whole, the Department's auxiliary services constituted a reservoir of career civil servants experienced in the Department's general administrative problems. Although the directors worked intimately with and in the general staff and dealt with important problems of policy, experience showed that they did not have to be appointees of a new Secretary. Of the chiefs of the Department's auxiliary services, the majority had had careers in the Department extending back over several secretaryships. The careers of Director Jump and former Director Stockberger have already been described by Messrs. Macmahon and Millett.⁹²

⁸⁹In 1938 the member designated from the Department was Mordecai Ezekiel, with Louis Bean as alternate; O. C. Stine was an elected member. At the request of the President, the Board was in 1938 endeavoring to coordinate statistical reports and returns required by the departments.

⁸⁰ See Executive Order No. 8034, January 14, 1939.

⁹¹ Page 490.

⁹² Op. cit., pp. 47-51.

Director Warburton, a graduate of Iowa State College, entered the Department in 1903 through the Office of Farm Management in the Bureau of Plant Industry. He had a career as an agronomist until his appointment as Director of Extension by the elder Wallace in 1923. Director Jardine, also a graduate of a land-grant college, was in the Forest Service from 1907 until 1920; was then Director of the Oregon State Agricultural Experiment Station for several years; returned to the Department as an inspector of agricultural experiment stations; and, after a brief period again as Director of the Oregon Station and as research consultant to the Office of Education, became Chief of the Office of Experiment Stations in 1931 and Director of Research in 1936. The Librarian, Miss Barnett, had served since 1908.

Mr. Morrell, the Chief of the Office of C.C.C. Activities, began his career in the Forest Service in 1906 and after extensive service in the field took charge of public-relations work of the Service in Washington and then of the C.C.C. activities of the Service. Three heads of auxiliary services were appointed by Secretary Henry A. Wallace. Director Hendrickson was a Minnesota newspaperman who was assigned to cover agriculture by the Associated Press. He served as an assistant to M. L. Wilson in the early years of the New Deal and later as Director of Information for the B.A.E., from which post he was transferred to the Office of Personnel as Assistant Director. Upon the retirement of Mr. Stockberger from the directorship, he assumed his present position. Solicitor White had practiced law in Texas and taught at the Law School of the University of Texas. He was appointed a special assistant to the Attorney General in 1933 and served in the Department of Justice until his appointment as Solicitor of the Department of Agriculture. Mr. Thatcher had been business manager of the F.S.A. prior to his appointment as Chief of the Office of Plant and Operations.

Broadly speaking, the personnel of the auxiliary offices was recruited from the clerical, administrative, and fiscal and the professional service classifications. There was some experimenting in 1939 in the use of apprentices drawn from junior grades with a view of developing inservice training programs that would acquaint the newer personnel with general departmental problems. It was difficult to determine what technical qualifications were most valuable for recruitment to auxiliary positions. Changes in party control of the government had much less significance for the auxiliary services and their relations with the political chiefs than shifts of emphasis on more fundamental purposes than

⁹⁸ See McCamy, op. cit., chap. vii.

were reflected in party combat. The problem of change was rather one of qualifying the Department's more standardized and traditional practices by a fresh appraisal that might be obtained from persons brought in from outside the Department or from career officials in the Department whose experience had been in the field or in some other activity that gave a new viewpoint.

We would emphasize again the great importance, especially to the student of administration, of the opportunities for, and the conduct of, research in the auxiliary services. Studies of organization, procedure, personnel, budgets, and reporting emerge naturally from the activities and responsibilities of auxiliary staffs. They are in a position to undertake pioneer firsthand researches of the greatest importance to the political scientist.

Was there any means of measuring the work of the auxiliary services? Was there too large an overhead organization in the line bureaus, in the Department, and in the national government's auxiliary services as a whole? There was in 1939 no adequate treatment of this problem, but a beginning had been made in the attack upon it. The Office of Budget and Finance, for example, had already explored the costs of purchasing in the Department, and it had other similar studies of procedural costs under way. As a part of its work of surveying organization and classification, the Office of Personnel had an opportunity to develop with the Office of Budget and Finance appraisals of organization and procedure. The establishment of a Division of Administrative Management in the Bureau of the Budget indicated a more positive approach to this problem. There remained, however, opportunities for supplementing from the outside these efforts to appraise and measure the auxiliary services. Research could be done at many university centers in the field work of the Department and the extent to which it was adequately served by the auxiliary services at Washington.94 Research might be focused upon a single commodity to determine whether the Department's elaborate and complicated organization and procedure facilitated or prevented adequate and balanced treatment of the problems of that commodity. Here again much would depend upon the development of means for sharing the research experience of auxiliary services and upon the facilitation of comparative studies and their evaluation.

⁰⁴Our sampling of field operations and of the problems of the field units has led us to the view that there was too great a gap in the outlook and assumptions of the auxiliary official in the Washington Department and line-bureau auxiliary offices; this defect might be dealt with to advantage by an exchange of personnel, so that the Washington auxiliary official especially could see the problems at first hand at the point of operations.

CHAPTER 17

THE DEPARTMENT IN THE LIGHT OF CURRENT PROBLEMS

NDER OUR INTERPRETATION administrative problems have their roots in social and political forces. During the period of expansion, settlement, and exploitation and before any extensive development of the agricultural sciences, the Department was a relatively loose federation of research and information services; from these services more extensive administrative agencies gradually developed. A self-consciousness of producer and consumer interests and other agricultural problems "beyond the fences" of the individual farm then came to be reflected in marketing and conservation measures; in time they led to the Department's recognition of the relation of agriculture to economic and social policies generally. After the World War the Department was utilized as a major instrument of public intervention in the agricultural sector of our national economy. Changes in policy necessitated alterations in organization and procedure. In fact, adjustment problems in the 1920's were viewed by agricultural economists and historians as of such a nature that no early withdrawal of public agencies could safely be predicted.1

Viewing the scene at the conclusion of our study in 1940, we find the forces that have contributed to this increase in the Department's activities and that have widened their variety still present; moreover, they are strengthened by prevailing world conditions that promise to make agricultural adjustments in the United States more urgent and more difficult. The increase and variety of these activities have stimulated a more carefully planned relating of the activities of all operating units to common objectives and policies because of the need for a unified treatment in the field. We have described the Department's response to this situa-

¹See, for example, John D. Black, Agricultural Reform in the United States (New York: McGraw-Hill, 1929), pp. 486–90; and Louis B. Schmidt and Earle D. Ross, Readings in the Economic History of American Agriculture (1925), pp. 501–3. Mr. Black remarks, "The foregoing program of agricultural reform will take many decades to carry through. Long before it is finished, new reforms will appear necessary. Agricultural reform is, therefore, a continuous process." Messrs. Schmidt and Ross state: "If we are to have a highly developed agriculture, together with a higher standard of living for farming classes, we must have a sufficient amount of social control to keep open the alternative economic opportunities in our industries so that there can be a free movement to and from agriculture as changing conditions demand."

tion between 1915 and 1940 and have noted the importance of its current expression in the agreements with the states in 1938 and in the Department's internal reorganization that followed. Continuous study is being given to ways and means of improving administrative facilities for better coordination.

Usefully to appraise the Department's development in the decade 1940-50 would require extended observations and analyses in the field in various parts of the country; thus, one could follow the work of planning and coordination to be undertaken in cooperation with the states and the development of the various regional research and operating centers. The Department's planning and activities were in 1939 shifting from a specialized subject-matter approach to an emphasis upon the adjustment of activities to bring about the most satisfactory agricultural and rural life for a community or region, on the one hand; on the other, the emphasis was shifting to an adjustment to insure a flow of the agricultural products contributing most to the desired standard of living for the people of the United States.

Broadly conceived, the Department's major task is to canalize the drive and energy of the pressure groups in agriculture so that they will be less harmful to our economy generally and will contribute to the best use of our natural resources, to the most satisfactory rural life, and to the most economic supply of agricultural products most useful to the consumer. Thus, the Department is not merely an inert and passive transmitter of contending and conflicting pressures but is an active agency in defining objectives and in making adjustments within the scope of legislative policy. This study has revealed that the pressuregroup interpretation of politics, in its crudest form, at least, is inadequate: it leaves out of account the work done in and through the Department as a political institution. Through its research and educational work the Department may ameliorate and modulate excesses in attitude of the particular groups; in the administration of its activities it may enable the participating interest-group committees to widen their knowledge of the conditions affecting their own interests.

If some of the current dangers that confront the national economy are to be avoided or in part mitigated, the task must apparently be done in part through this conception and practice of administration. If economic planning is to consist of what one wit has termed "ash-can socialism," the dumping of profitless enterprises upon the public and the underwriting of poor judgment in the past and incompetence in the present, the end of our economy is only a question of the extent

of the resources that remain to be squandered. If, however, the role of planning is to search out new avenues of enterprise, new possibilities of improvement in the standard of living and reductions in cost, methods whereby mistakes may be liquidated at lowest cost, and possibilities for more effective use of resources, we may better withstand the difficulties of the times in which we are living.

The Department can hardly avoid continuing to carry a heavy responsibility in view of the tasks placed upon the national government under our Constitution. It is the national government alone that can be employed with any hope for effectiveness as a public agency for dealing with international questions and with many aspects of problems of the national economy. Agriculture, however, is, perhaps more than most of the activities with which the national government deals, affected with a local interest; hence, any public policy in agriculture will be dependent for much of its effectuation on the constitutional powers allocated to the states and exercised by the latter under the influence in part of the local units of government. The Department's effectiveness must therefore be studied and measured in the light of the total operation of the forces affecting agriculture not only in each state but also in each type-of-farming community. Hence, the political scientist, as he explores in detail the actual application of the policies of the Department, must become an ecologist.2

THE DEPARTMENT AS A PART OF THE NATIONAL EXECUTIVE

The types of adjustment upon which there is substantial agreement among analysts of agricultural problems point toward policies far beyond the scope of the Department. The "other half of the farm problem" calls for the opening up of economic opportunities to the rural population, too large for economic employment in agriculture. This problem obviously involves fundamental financial and industrial policies, as well as programs of rural works, rural education, vocational guidance, and placement through which general programs are related to local resources and to specific individuals. The concept of "parity" invites a comparison of what the public pays in subsidy to one interest with what it pays to others and with the relative values of the returns

²A good starting point for the political scientist in following up developments in agricultural administration is the agricultural experiment station and extension services in his own state. From there he can move out to the regional research centers and offices of the Department and of state agricultural planning committees, to county agricultural planning committees, and to local field offices.

to the public in restored, more efficient, and more satisfactory occupation. The same reasons that support the movement to improve the formulation of the Department's programs apply at least with equal strength to the formulation of policies in the national executive as a whole.

The changes in internal organization and external relationships that the Department inaugurated in 1938 will take many years to become assimilated. The student of administration will be challenged also by the effects of general executive reorganization in the national government inaugurated in 1939. Agriculture is only a part of the problems of policy requiring comprehensive exploration and formulation by the national executive; any improvement in policy procedure in the Cabinet and in the Executive Office of the President should also improve the relation of the departments to the Congress. The more careful formulation of legislative proposals, including the budget plan, should stimulate improvement in Congressional procedure, possibly in the direction of developing joint committees and of permanent committee staffs. Members of Congress, however, are primarily ambassadors from states and localities; and improvement in the collaboration of national departments with states and local governments will also contribute to the better relations of the departments and Congress.

Thus, the decade 1940-50 should have great importance to the Department as one in which new administrative organizations and procedures will be tested. Will they survive party changes? Can the many groups and units involved be brought into successful cooperation? Can the President and Cabinet become a genuinely collaborative policy and control agency with staff services that facilitate collaboration? Can we make the federal system function in a way superior to its totalitarian challengers, recruiting knowledge and consent widely, yet bringing it to effective administrative focus? To raise these questions is to emphasize the importance of the trial confronting the new organizations and procedures.

RELATIONS WITH STATE, LOCAL, AND REGIONAL AGENCIES

Functions that are at least brought within the single Department of Agriculture on the national level are, as we look about us in 1940, distributed among several units in the states. The most important of these units are the colleges of agriculture, the agricultural experiment stations, the extension services, the departments of agriculture and

markets, of conservation, of education, and of public welfare. While there is a formal agreement marking out the area of function and responsibility between the land-grant institutions and the departments of agriculture, based roughly upon the distinction between research and education as contrasted with regulation, there nevertheless remains an area in which continuous adjustment and integration are desirable. This need is more accentuated, since the line between the two types of activity is difficult to determine in many of the programs instituted since the World War of 1914-18. The old slogan of "keep this out of politics" is not a particularly helpful guide as these matters have become more obviously questions of public policy. If they are political questions, it must be possible for the representatives of the people in the states to determine at least ultimately the objectives of the agency and, to some degree, the methods to be employed in reaching those objectives.

The land-grant institutions are confronted here with a difficult and delicate question, since many matters on which they have made contributions in research and education have, by 1940, become the subjects of legislative policy. It will not be easy, for example, to conduct research and adult education in fields of land use and marketing in which local and state governments are increasingly concerned without becoming involved in politics; in fact it would be impossible. At the same time, these institutions naturally do not wish to shut themselves off from the opportunity and the responsibility for bringing the best knowledge and other resources at their disposal to the service of their states. This problem has not yet been solved; nor is it the kind of problem that ever reaches any final solution. It involves rather a continuing adjustment of institutions and personnel; it requires constant effort to invent procedures and arrangements that will widen the extent of accepted objective standards and facilitate the mutually helpful collaboration of the expert and the lay citizen. Educational institutions have been too inclined to underrate the civil servant and the legislator—or at least to avoid the task of making their resources more intelligible and useful to them.

New Agencies Needed

The states and local governments have been neglectful in the building up of adequate civil service systems; yet their resources in per-

⁸Each of these organizations has its specific point of contact with the Department through the bureau or operating agency in the relevant functional field.

sonnel are better than is ordinarily assumed. There has, however, been inadequate development of unified state programs and management devices to facilitate their application. Politicians have neglected also to make use of available knowledge that would have contributed to the solutions of the problems about which they have been most oratorical. There are many observers of government in 1940 who deduce from this negligence and from other problems of opinion, policy, and administration that the traditional forms of government are inadequate to the tasks and nature of modern society. Nevertheless, a good deal could be done through better administrative organization, through the development of policy-forming agencies, such as legislative and other planning councils, and a more conscious effort to enlist, by educational programs, local civic leadership.

We have in mind the legislative councils, the state planning boards, and the possibility of relating students in our state universities and colleges to the basic problems of natural resources and population of the communities from which they come. On this latter point, for example, it should be possible to assign students in colleges of agriculture to surveys of their home counties, perhaps attaching them as informal research aides to the local county and home-demonstration agents. This work might be a motivation for weaving their course subjects into a useful and practical synthesis and for stimulating them to a new and a more valuable conception of politics. After leaving their institutions they could, in many ways, play a more important role in their communities, in local banks, newspapers, business enterprises, and farming, than can be played by the more formally authorized public officials.

When one notes this complexity of existing institutions, the suggestion of adding still other units of government is not apt to be greeted enthusiastically. Nevertheless, as new problems emerge or older ones come to be recognized more clearly, a dilemma is presented when they inhere in an area that is not coterminous with existing political boundaries. To solve such areal problems through political institutions is a perplexing task. Obvious examples of regions as defined by certain major natural factors of rainfall, contour, and soil are the Tennessee Valley and the Northern and Southern Plains. A smaller region might be determined by certain local factors that create the need for common treatment of the soil erosion problem of a watershed.

The encouragement by the Department of the establishment of soil conservation districts beginning in 1935 occasioned some criticism.

The proponents of this program argued that for this single purpose of soil conservation the best boundaries were those determined by the natural factors involved and that these boundaries should reflect the most effective way of enlisting the land users in the area in remedial measures. Boundaries thus determined would not necessarily fit those of the county or other local existing political unit. Critics argued that the establishment of this additional ad hoc unit conflicted with the general advice of students of government that local governments be simplified and reduced; furthermore, it ignored the untimely fate of many special-purpose districts that had been set up in the past. They suggested that it would be better to utilize, so far as possible, the existing machinery, especially the counties with the county agricultural agent as guide and adviser. To this proposal the reply was made that the problem was so special, the county governments were on the whole so remiss in facing such fundamental questions that the farmers directly concerned should be organized in terms of the natural unit formed by the natural forces creating the problem.

Although the argument may seem centered upon a relatively unimportant question, actually it cuts deep into the problem here discussed. Can our existing units and structure of government be made an effective agency—with all that this term implies in civic education and leadership, legal powers, and administrative quality-in tackling these fundamental problems? Many of them, since they extend beyond the boundaries of one unit, require a most delicate adjustment of several units through some collaborative organization. These districts have been established in a number of states; yet, there is the possibility of alternative treatment of this problem through the counties, which have zoning power or in which lands can be retired from abuse through public purchase and management. Consequently, our view is that the wise course-indeed an urgent need-would be to conduct intensive case studies of the various methods that will be employed in the local attack on problems of soil erosion for some years to come. A number of such studies should be initiated in several institutions in different parts of the country representing different types of farming and of natural setting generally and based upon a record of the work of soil conservation districts contrasted with the usual organization of local government.4

⁴In an address before the Southern Political Science Association David Lilienthal of the T.V.A. gave illustrations of the way in which a regional unit could effectively supplement with its natural powers, rather than supplant, the contributions of the state and local governments in the region and could stimulate and evoke additional regional activity for

Coordination in the Local Area

It is in the local area that the need for ultimate coordination of programs is greatest. All national, regional, and state efforts should be undertaken with this fact in mind so far as humanly possible. Operating officials of the Department recognized this need; in fact they frequently expressed to us, out of their experience in the field, the view that such coordination was possible on the spot. We believe that a strong and healthy local civic consciousness is required, as well as recognition of the fact that politics must be conceived of in the local community as an extension into a somewhat wider area of the housekeeping and farm-management viewpoint that would characterize a successful rural home. Numerous governmental activities on all levels reach down into the local community; hence, it would not seem possible effectively to channel all those that concern the rural community through a single department. Among the national agencies alone one must in 1940 include in a list of those of major importance for the local rural community not only the Department of Agriculture but also the Federal Security Agency, with its important units; the Department of the Interior, particularly in communities where the Grazing Division, the Reclamation Service, and the National Park Service were operating; the Federal Works Agency through its Public Roads Administration; the Children's Bureau of the Department of Labor; and many other agencies.

Similarly, from the state government important lines of influence flow down through many agencies, including not only those mentioned earlier in this chapter⁵ but also the departments of education and of adult and vocational education, the state highway commissions, and state agencies of health, mental hygiene, relief, and welfare generally. On the financial side the problem is complicated by the systems of grants-in-aid: they may at once assist and distort the local budgets and perhaps invite a delay in the readjustment of some local governments to fundamental changes in their population and economic opportunities.⁶ Thus, a most important challenge confronts every local unit of government: How can it best meet the needs for public services of

meeting regional problems by adjusting national programs in the region to regional needs. "Administrative Decentralization of Federal Functions," *Advanced Management*, January-February-March, 1940, pp. 3–8.

⁵See above, p. 381.

⁸Some grant-in-aid systems, by guaranteeing minimum services, may make it difficult to reorganize local governmental units that continue to exist through such subsidies despite loss of forest and other resources upon which employment has depended.

its population in the light of the various national and state programs that come down to it? Hence, the developments in government in the decades prior to 1940, far from making local government less important, have only added to the need for its improvement.

The establishment following the Mt. Weather Agreement of 1938 of state and county agricultural planning committees and of forty-eight experimental counties as a means of trying out the more flexible adjustment of national programs to the peculiar needs of each county has important implications for the student of administration. If the county planning committees, as they develop, can enlist the sincere efforts both of the experts and of the farmers and at the same time avoid the encouragement of too narrow an approach to public questions, they may well be the means of stimulating in rural communities much different and better politics than existed in the past.

This new politics would literally be built from the ground up; at the same time it would be nourished and stimulated by information relating the local and individual farm problems to the larger setting of the objectives in national standards of living based upon nutrition requirements. The problems of consumer purchasing power, of marketing, and of farm management could then be approached in a more positive and creative way and could be released from the entanglements with such slogans and phrases as "a fair share of the national income" and "parity." The new politics would serve to stress the legitimate contributions of an interest group; furthermore, it would reveal more clearly the requirements in public instruments and policies which that interest group should have to facilitate the making of its contribution. Such a politics also would measure proposals for special advantages by the yardstick of the public return in food values, including quality and price; it would contribute to the development of genuinely public programs out of the raw materials of private interests.

INTEGRATION THROUGH IN-SERVICE TRAINING

The possibility of giving a fresh content and meaning to local politics is important; furthermore, the challenge of this new problem to the civil service must be recognized. The civil service of our local and state governments has been relatively neglected. Most local rural governments have a limited tax base and limited public revenues. They have a few full-time positions; yet they need for the wise planning and conduct of their public affairs a kind of skilled service that can be developed only by and through a professional career service in

such fields as education, highways, health, natural resources, and public works. Too little thought has been given to this problem by students of administration and especially by those anxious to extend high standards of public personnel administration. A notable achievement in American public service was the development of the Extension Service and of the agricultural experiment stations—with their staffs of trained men and women generally detached from the vicious requirement of local residence that held back a career service in most other fields. In 1940 we are only at the beginning of similar necessary developments in such fields as public health and welfare. We shall probably have to increase the personnel of the Extension Service in view of the added duties imposed by their widening range of assignments.

For all these fields, however, in-service training has become more necessary than ever, both to supplement training acquired prior to entry upon the work and to keep the staff alert and familiar with new developments. Such in-service training should be conducted so as to bring workers in different functional fields but operating in the same general territory into closer association for the joint study of the territory as a whole; furthermore, it should provide circulation between national and state and between field and center offices. A more effective integration of the programs and practices in the field and at the center would thus be forwarded. Both state and national governments would profit from an increased exchange of personnel. Perhaps both levels could be included in a single career service—at least in many functions.

The experiments that the Department has made in its special schools for extension workers and in its more informal field trips point the way, we believe, to important training policies that should be developed further and more generally. The principle of mingling officials from different units in field trips for the purpose of developing some common language and emotional as well as intellectual response to the attack upon the problems of the region in which they are working may well be applied in the national government beyond the walls of a single department. It has obvious possibilities for use by the National Resources Planning Board, for example, through its subject-matter committees on land and on water resources. When several departments share responsibility in developing a coordinated program, we believe that there should be, as a regular practice, field training trips in which officials from all the departments concerned study on the spot both

the natural setting and the administrative devices through which the problems can best be attacked.

It is obvious that developments outlined here should be of the greatest interest to the political scientist, for they were suggested by the effort to stimulate a better adjustment of national, state, and local policies. Do we have here the means of encouraging a more effective and fundamental participation of the average citizen in government? Do we have suggestions for a more effective formulation of public policies by means of which the elected representatives can be judged and selected more intelligently? Have we a means of bringing home literally and concretely the work of the expert to the lay citizen and of stimulating the expert to think more freshly and imaginatively about the concrete situation confronting the average citizen whom he is instructed to serve? Do we have here means of effectuating public control over a government inevitably given more power—and that power a discretionary power in the administrator-in an economy such as ours? Do we have even a means of bringing to the countryside some tangible awareness of the requirements of distant markets and economic and other conditioning factors generally—even in remote foreign countries? It is well to raise these considerations in order to encourage such an attack upon our complex governmental structure, for undoubtedly there will be much indifference, discouragement, and frustration for many years in the effort to work out these new procedures and policies.

RECOGNITION OF REGIONAL FACTORS

Through devolution by regions there have been some efforts to reflect in the structure of the operating or line bureaus a recognition of regional factors. This process is complicated by the fact that each line bureau inevitably finds that the determination of regions is affected by its own subject matter. Thus, the requirements of the Forest Service would differ from those of the Agricultural Marketing Service: the former must plan its structure in relation to the existence of different types of forest regions and of the location of national forests; the latter must draw its regional lines with reference chiefly to the location of food processing and marketing. The location of field offices, again, would be influenced by the extent to which the bureau must work in close cooperation with state officials. If there is a close working relation with state agencies, it may be necessary to have representatives located at the state capitals and perhaps at the chief urban centers or

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chief agricultural production and marketing centers of all the states.⁷ The creation of regional offices by many of the line bureaus has been viewed by some as designed to by-pass or ignore the states as administrative units. Such criticism has been made the easier because of the Department's failure to formulate clearly any general conception lying behind the establishment of the regional offices of its operating bureaus. As the Department moves to coordinate the making of its programs on the Washington level, as well as on the state and county levels, it might appropriately attack the question of regional offices. If there is to be a genuine effort, for example, at coordinating all its land-use activities, it would seem logical that one point of policy-making of great importance would be that at which all the problems inherent in a given natural region, as determined by soil, contour, climate, land cover, types of commodities, and similar clusterings of factors, require their primary analysis and statement in cooperation with state and local agencies.

Existence of diverse regional boundaries and centers among the line bureaus operating in such a region certainly does not facilitate this process of coordination, although each center may have been chosen because of some peculiar convenience or suitability to the needs of the bureau. Perhaps these needs might be sacrificed somewhat in order to obtain the advantage of location in a common center and with a greater approach to coterminous boundaries.8 One minor embarrassment in the selection of regional centers that sometimes becomes a major concern to administrators is the local vested interest that develops about a regional or field office—a mingling of prestige in having the national office in the town, of the interest of real-estate men in renting offices and in supplying residences for the civil servants located there, of the merchants in the business thus brought to the town, and of lawyers and other persons transacting business at the regional office. The proposal to transfer a regional center often becomes the major political issue of that region; party committeemen, members of the

⁷Some students of regionalism view political boundaries and areas, such as the American state and county, as artificial and unreal. They forget that these man-made boundaries are as real a regional factor, since they mark constitutional and legal power and political activity factors, as rainfall lines or the location of different types of soils.

⁸Note the suggestion in the report of the National Resources Committee on Regional Factors in National Planning that it might be possible to find an effective compromise between the need for coordinated national policy in a region and the special requirements of each line bureau by establishing regional centers but leaving flexible the boundaries of each region utilized by a line bureau.

Congress, the head of the Department, and the President himself may be brought into the controversy.

We believe that both the division of constitutional power between the national and state governments and the well-established policy of grants-in-aid to the states determine a permanent close association between the Department and the state governments. In the past, as we have seen, this association has resulted in frequent lines of relationship between the Department and the land-grant institutions, and notably the state departments of agriculture and markets and conservation. Because of new functions, to these lines one must add those to the state agencies having to do with relief and welfare and farm finance. The establishment of state representatives of the B.A.E. may, therefore, have great significance in the evolution of more effective coordination of departmental policy with that of the states. Apparently the determination to establish this office on the state level grew out of the effort to push forward the policies of land-use planning through the county and state agricultural planning committees.

Nevertheless, we suggest that there be kept in mind at least the larger aspects of policy reflected through many of the Department's line bureaus. Apparent also is the need for clarification and integration of policy on the state level with state agencies and for encouraging the development of a common national-state program on all functional fronts. If this were done it would perhaps be possible to turn with a new knowledge and fresh insight to the appraisal of the regional structure of the Department as a whole. For example, the A.A.A. in 1939 had regions the directors of which were located in the Department at Washington. The Soil Conservation Service, the program of which, we believe, should increasingly be merged with the soil conservation program of the A.A.A., had a series of regional offices scattered throughout the country. Certainly for land use, including the land utilization program, the water facilities program, the soil conservation program, researches in plant industry, and the forest program, there should be an approach toward common regions and regional centers.

Such a move would have importance not for the Department alone: it would also encourage the states toward interstate regional programs of research and toward the coordination of state activities so as to insure more effective treatment of regional problems the solution of which is beyond the powers and resources of any one state. The establishment of regional laboratories at places that seem best designed to serve the needs of a type-of-farming area points in this direction.

The new regional agricultural products laboratories might also serve the same purpose. Their location at Philadelphia, Peoria, New Orleans, and San Francisco was criticized because they were not attached to land-grant institutions. It was the more important, therefore, that the Department clarify its concept of regionalism upon which both the location was determined and the program of research would be undertaken.

Thus, the selection of regions is not a matter of trivial procedural convenience, important as such convenience may be in the routing of field activities to cover a territory most expeditiously. It seems to be one of the primary decisions that a department can take in view of the size and variety of conditions of the United States. Nor are we arguing that there is a single set of regions that can be easily or quickly determined, equally useful for all operating bureaus of the national government, and designed to supplant the existing political units. We feel, however, that a Department literally rooted in natural resources for its subject matter must draw much of its thinking from the naturally determined problems of soil, land cover, and climate, and from the relationship of population to these factors.

We believe that changes in the location and employment of our population are inevitable; furthermore it may be possible, through governmental services, better to adjust our people to the natural environment so that they may, with better information, both improve their standard of living and utilize less destructively their natural resources. Such a policy, oriented toward the more carefully determined food and fiber needs of the country, would make possible the redirection of public intervention in agriculture.

INTEREST ORGANIZATIONS THAT SUPPLEMENT GOVERNMENT

In recent years interest has been manifested in the study of "pressure groups." There is danger that the term may invite an oversimplification of the genuine problems that exist in this field. In any of the major fields affected by the Department's work we find as a rule several interest groups. There are, for instance, at least two types of organizations of officials: those of ranking department heads, such as the National Association of Commissioners, Secretaries and Directors of Agriculture, and technical officials, such as the Association of Official Agricultural Chemists, the National Association of County Agricultural Agents, the National Association of Marketing Officials, or

the Society of American Foresters. Beyond these latter groups in scope and extent are the learned societies in fields represented in the work of the bureau. All professional groups—chemists, biologists, botanists, and countless others—have such organizations; they are federated through the National Research Council in the natural sciences and through the Social Science Research Council in the social sciences. One important influence on the work of the public official in any of these fields of interest is his desire to stand well professionally under the scrutiny of his colleagues in terms of professional standards and of his contribution to the subject generally.

Then there are the pressure groups as more ordinarily envisaged, the organizations of those with important economic stakes in the activities of the Department. Here again, however, there is much more variety and much more intragroup conflict than is ordinarily supposed. There might be several types of interest, each with its own organization—the producers of the raw material (who might in turn be divided regionally and in other ways, such as by membership in cooperatives as against other forms of producer organizations)—and organizations of processors and those engaged in some phase of the marketing of the raw or processed material. Finally, there are a few consumer organizations.

Nor should we ignore the influence of the general citizen or civic organization, composed either of enthusiasts for a subject or of persons who have in some way become informed and interested in a field. Thus, the American Civic and Planning Association, for example, has for many years followed closely developments in the field of land use of more obvious civic interest. The American Home Economics Association and the American Association of University Women have concerned themselves with problems of consumer use and standards. We speak of all these as agencies supplementary to government because they have a real place in the creation of standards, in the influencing of civil servants, in the presentation of important material in the formulation of rules and regulations, and in the relating of the Department's work to a wider circle of their members.

The public is in some measure protected from an abuse of power by interest groups by the very diversity of organizations among them. It could be better protected if, to offset the viewpoint of a powerful pressure group, there could be a stronger, better-informed, and more consciously developed program based upon regional resources, standards of living, and adjustment needs. Thus, the program of the T.V.A.

draws its strength from the growing consciousness in the area it serves of the possibilities of an improvement in standard of living through the collaboration of national, state, and local governments. This interest offsets, to some degree, the national opposition of utility interests to the Authority. Special-interest groups are sometimes powerful because they lack general goals and objectives by which a special interest may be measured and opposed. A long-time plan for a distressed area, the definition of nutrition standards, or land-use readjustments to guarantee stable resources conservation may enable subsidy payments to particular groups to be used for the public advantage; the more extreme pressures may be more clearly revealed as indefensible.

We have urged that any adequate appreciation of the Department's work must be built upon an understanding of the way in which it is related to activities of state and local governments. We would also urge that parallel studies of the vocational groups and interests that affect, and are affected by, the Department are requisite to any real understanding of this Department as of other national agencies. There are signs in 1940 that this important approach to the study of politics will receive more adequate recognition. We have already referred to the work of Pendleton Herring and Ernest S. Griffith9 and to the increasing number of books and articles that treat seriously and objectively vocational groups as an inevitable part of our society. There is still, it is true, an atmosphere of moral disapproval that surrounds the discussion of this topic; then, too, there does not seem to exist a respectable social theory of syndicalism or guild-socialism, such as was relatively popular after the World War, that reflects some effort to fit the vocational interest aspect of politics into our larger theories.

An interesting and important development in agricultural administration is the coincidence both of vocational and of areal interest in the work of the farmer committees in the A.A.A. and in the agricultural planning committee program instituted after 1938. There has developed a set of structures and procedures that is already attracting attention of students of political science. Problems of representation, including the place of minority groups, arise in the selection of these elected committees. Other problems of reflecting opinion are seen in the increased use of referenda in crop control programs. Problems of judicial review are illustrated by the handling of appeals from decisions of farmer committees.

⁹Herring, Public Administration and the Public Interest (1936) and Griffith, The Impasse of Democracy (1939).

The need, however, for intensive studies in the vocational interest aspects of agricultural administration extends beyond the more dramatic features of the A.A.A. and related agencies. A great network of vocational interest organizations with offices in Washington surrounds the day-to-day operations of many, if not all, of the line bureaus of the Department. We believe that this question cannot be dealt with through casual and general dips into the activities of an agency at one period of time. In this field of politics the political scientist can make the most effective contribution by staying with one of the central problems of vocational concern and watching what happens to the work of administrative organization over many years. He will need time not only to detect changes in policies below but also to familiarize himself with the subject matter of the problem and with the generally extremely complicated subgroups within the vocations in this country and abroad.

The student of the A.A.A., for example, would do well to select a single commodity and to follow closely the treatment of that commodity over many years not only in this country but, let us say, in Canada as well, or in Great Britain or Germany. The student of our problems will find value in an acquaintance with, let us say, the British methods of hop-marketing control or pig- and bacon-marketing control or with the Canadian program for the wheat farmers of the Plains. An intensive, accurate, and detailed study of the content given to such a word as "sugar" by the Food and Drug Administration over a twenty-year period would be more revealing of this aspect of government than the most impassioned fulminations on the evils of administrative justice.

OPPORTUNITIES AND CHALLENGES FOR THE POLITICAL SCIENTIST

Studies in the administration of governmental functions that relate to natural resources have an especially strong appeal: they lead one into a consideration of that most fundamental of all relationships—the rela-

¹⁰We had hoped that in the course of our study we should be able to examine in detail some of these relationships of vocational groups to administrative offices. We soon became convinced that the kind of reporting that would be possible in a study so limited in time would risk being misleading. The influence of these groups on the exercise of quasijudicial and quasi-legislative discretionary powers by the administrative agency needs to be watched and analyzed over a period of many years so that such factors as change in the rules of procedure and in the subject-matter standards adopted by the agency, as well as the flow of judicial action resulting from its operations.

tion of man to his environment. The Department of Agriculture and the family of institutions in the state and local governments are engaged in the exciting task of exploring that environment and in relating their findings to the needs and desires of man. Creative and inventive abilities are called into play in order best to devise the institutions whereby man can utilize this knowledge.

In 1939 activities in this general field might seem to be dominated by pressures for the solution of immediate problems; nevertheless, the longer view will bring into proper perspective the underlying emphasis upon the search for knowledge, its wide diffusion among the people, and the facilitation of their adjustments in the application of this knowledge. To the political scientist, therefore, studies of government in this field bring a most stimulating opportunity for association with the work of the natural scientist, on the one hand, and for the analysis of social and economic procedures and institutions, on the other. If he undertakes his researches adequately, he need no longer engage in discussion about the coordination of the various social sciences or divisions of knowledge generally: he is himself engaged in analyzing problems that refuse to be bounded by any formal categories and that relate every operation of society to the effort of man to wrest a living from the soil.

The political scientist, furthermore, may initiate his studies from almost any point that residence or convenience dictates. While he will profit from acquaintance with the Department's activities at Washington, they require in turn for their adequate appreciation knowledge of the operations in the field and of the complementary activities of the states. Nevertheless, the study of state or local problems should receive the complementary treatment of being related to the national Department—or at least of being conducted with the advantage of some knowledge of its resources.

The researcher will find that in the study of particular subject-matter problems, such as local rural taxation, land-use planning, or marketing agreements, the resources of the Director of Research and the Office of Experiment Stations, of the B.A.E., and of the Extension Service are indispensable to him. Through these he can at the outset inform himself both of the available knowledge and of researches being undertaken or contemplated at Washington and throughout the country. If he desires to know about the studies that have been made or that are being projected on the instruments of administration in this field, he can profitably turn to the Offices of Budget and Finance, Personnel,

and Information and to the Office of the Secretary. He will find the Office of the Solicitor familiar with work under way on problems of administrative law. The Libraries of the Department house the necessary books and documents conveniently. Of equal importance to these advantages, from the viewpoint of the student of administration, is the prevailing atmosphere in which research is understood and its importance appreciated; there too, a generous welcome awaits the scholar.

Even the Department itself need not, and indeed should not, be viewed from its Washington center. In many ways the most profitable point at which studies of its far-flung activities may be initiated is the regional center. Thus, in San Francisco, Albuquerque, Denver, Portland, Chicago, and Boston such studies may be undertaken. At each state capital one will find useful introductions to federalism in action in the relationships between officials of the Department and of state governments. But in some respects the best point at which to undertake studies is at the land-grant institutions. There, in proximity to the state agricultural experiment stations and state extension service head-quarters, one can obtain some glimpse of the general setting of the agriculture of the state and at the same time find available men and women familiar with various special aspects of agriculture and rural life as a whole.

There have been some who seemed to deplore the limiting of the role of the land-grant institutions to education and research: they were desirous of transferring to these institutions the general administration of all the Department's programs as they came down into the states. With this issue we are not here concerned. But we would suggest that the expansion of agricultural functions has increased the importance and challenge of both the research and the educational programs of the land-grant institutions. The reasons for this increase are to be found not only in the subject matter of the programs themselves. It is true that there are many assumptions underlying the programs that need far more careful and critical scrutiny than they have yet received and that may be exploded as misleading or inadequate on further analysis. But we are thinking rather of the tremendous problem of what may be termed civic education that has come into existence

¹¹Such as, for example, that by David Truman, Administrative Decentralization: A Study of the Chicago Field Offices of the United States Department of Agriculture (Chicago: University of Chicago Press, 1940).

with the increase in the public aspects of agriculture and of the use of natural resources generally.

The demands in terms of knowledge, time, and civic ability that have been placed upon the average citizen in the rural community by the changes in our economy, society, and government of the past fifty years are great. The farmer, like those immediately dependent on or related to him, is more and more subjected to the bewildering complexities of the price system and of vocational and governmental regulations; at the same time he is confronted with equally rapid changes in the knowledge made available by research on agriculture. He must be not only a competent manager of a highly technical enterprise but also a businessman and a financier capable of dealing with some of the most complicated economic institutions. Consequently, much of the pressure for governmental intervention must be understood as an attempt to increase the number of stabilized factors and reduce the number of variables that the farmer must include in his plans. Much, too, must be understood as a reflection of increased public interest in the long-time public stake in natural resources.

We see these resources historically as a basic factor in providing economic opportunity and in helping to shape much that we think is best in our American plans and ideals. It is, therefore, not mere sentimentalism, in the negative sense of the word, that leads us to seek not only a wiser management of materials so essential to the construction of our national life but a legitimate and patriotic concern for perpetuating and expanding those materials. The land-grant colleges are most responsible for conveying, through their research and instruction, the civic as well as the individual implications of this situation. Throughout much of their history they have fought to maintain their separate identity so that they might work out their peculiar problems and make available their unique contributions. We believe that in the future all institutions of learning must come to draw upon the knowledge that these agencies have been accumulating and to make it a central part of the content of the education of our youth.

The colleges of agriculture have supplied the agricultural industries and commerce, the extension service, the agricultural civil service, agricultural finance, and agricultural education with a large part of their personnel. They will undoubtedly continue to do so, although other institutions of higher learning are contributing, particularly in the social sciences, to these lines of recruitment. The separate colleges

of agriculture have tended to increase the variety of their offerings, and some of them have become general colleges and universities. Where the colleges of agriculture are parts of state universities and are located near other colleges of the universities, the departments of political science have a great opportunity: they can become acquainted with developments such as those recorded here and can also stimulate their students to study the problems involved. They have much to give, yet they have even more to learn.

The task is really not the protection of agricultural education from anything that would harmfully restrict its development and growth. It is rather to convey throughout the entire educational system the particular contribution that these institutions have been able to amass: knowledge of the natural environment in which the citizens of the state live and of the outstanding problems of relating man to that environment. To achieve this purpose best would undoubtedly require some change in educational organization and method. Above all, the necessary basis for a local citizenship is a fresh approach to the study, for example, both of the natural and of the social sciences. It should draw upon them freely and without regard to departmental lines in order better to understand the natural environment and its influence.

This approach had, of course, long been preached by such pioneers as Liberty Hyde Bailey and Charles Van Hise. The lesson that they formulated is clearer in 1940 in every section of the country. The task of establishing a better basis for our rural life has been rendered both more difficult in the depression and more obvious in each region and community. The natural leaders in relating the local community to the resources of knowledge available at the state centers are the extension service officials and the high-school teachers.

A special aspect of this problem of civic education is the training and recruitment of the civil service. We have seen that the personnel required for agricultural administration includes not only those who are engaged in researches in the natural sciences but also those responsible for administering the newer functions of land management, of marketing, and of economic and social policy. Their recruitment

¹² A most interesting development of great importance has quietly taken place in New England in recent years. The rise in size, influence, and importance of such institutions as the University of New Hampshire, the Massachusetts State College, the University of Connecticut, and Rhode Island State College illustrates the point, particularly in view of the existence in this area of so many old, famous, and wealthy institutions. We hazard the guess that within a few decades the graduates of the land-grant institutions in these states will play parts of greatly increased importance.

has not been confined to the land-grant colleges; yet it is to be hoped that a major source from which these officials will continue to be drawn will be these institutions. They will have an important part to play also in the best development of newer practices of in-service training, including the development of field staff schools at which officials from different fields of activity and different levels of government will be brought into intimate acquaintance on the ground with the problems of an area. The necessity for such continuous training of officials has long been accepted for the armed services; it is high time that the principle should be applied richly and imaginatively in the struggle of man to be at home in his universe.

The United States has yet to achieve the most satisfactory adjustment of its people to their environment in many vast regions. It has yet to relate its great productive power most efficiently to human needs and potentialities. Such an enterprise requires the best abilities in science, in education, and in administration; its objectives challenge the highest quality of our people.



APPENDIX A

Budgetary Administration in the Department

Verne B. Lewis



APPENDIX A

BUDGETARY ADMINISTRATION IN THE DEPARTMENT OF AGRICULTURE

STUDENTS OF BUDGETARY administration have focused their attention almost exclusively on central budget agencies and have left budgeting at the bureau and departmental levels virtually unexplored. In the federal government the developments stemming from that portion of the Budget and Accounting Act of 1921¹ dealing with the Bureau of the Budget were given continuing attention after 1921.² Developments in budgeting at the departmental and bureau levels paralleled those in the Bureau of the Budget after the passage of this Act. It required the appointment of a budget officer in each department and thus provided for review and coordination of bureau estimates at the departmental level before they were forwarded to the Bureau of the Budget.

While the Act was silent on their responsibilities for the execution of the Budget, budget officers, in some departments at least, were becoming increasingly active in this zone as well. These departmental budget functions were an integral part of the budget system established in 1921. But so far as this writer is aware, there have been no published studies of the developments at this level. Neither has there been any published material on budgeting in the bureaus. Notwithstanding the noteworthy developments in the Bureau of the Budget and in departmental budget offices, it should be remembered that the bureaus were still the key units in federal financial administration. The bureaus spent the money; they kept the operating accounts; they originated the estimates; and, in the main, they defended the estimates before the

¹⁴² Stat. L. 20.

²See A. E. Buck, Public Budgeting (1929), Budgets in Governments of Today (1935), and "Financial Control and Accountability," in Report of the President's Committee on Administrative Management with Special Studies; W. F. Willoughby, The National Budget System (1927); Daniel T. Selko, The Administration of Federal Finances (1937) and The Federal Financial System (1940); and Report of the President's Committee on Administrative Management (1937).

⁸For convenience, the term "bureau" is used throughout this study to refer to the main functional subdivisions of departments whether these are named bureaus, services, administrations, offices, or corporations. Thus, the Bureau of Plant Industry, the Forest Service, the Farm Credit Administration, the Office of Experiment Stations, and the

Bureau of the Budget and the Congressional appropriation committees. It is hoped that the gaps in budget literature will be partially filled by this study and, furthermore, that some light will be cast upon the general problems and practices of administration in the Department of Agriculture by an examination of its budgetary problems and practices.

Scope of Study

In this study attention is focused primarily upon the Office of Budget and Finance of the Department and its relationships to the bureaus of the Department, to the Bureau of the Budget, and to the Congressional appropriation committees. Budgetary practices of a typical bureau are briefly described to illustrate the procedures and problems at this level. The scope of this study deviates somewhat from the traditional classification of budgetary functions, originated by René Stourm in The Budget and followed by A. E. Buck in his writings, which divides the field into four parts: the formulation of the budget plan, including estimates of revenue as well as of expenditure; legislative authorization of the budget; execution of the budget; and accountability for the budget as executed. It also differs from W. F. Willoughby's classification which, as outlined in his Principles of Public Administration, divides the field into formulation, appropriation, and execution. The latter category includes both the execution of the budget and accountability for the budget as used in Mr. Buck's classification.

The traditional classification does not apply so nicely to a study of budgeting at the operating level as to studies of central budget agencies, to which it has been most commonly applied. In the eyes of the operating official who has a program to administer, budgeting has only two main aspects: the process whereby funds to finance his operations are made available to him, including the various steps in the formulation of the budget and legislative action on it, and supervision and control of expenditures. Consequently, formulation of the budget and its execution receive major emphasis in this study. Before these aspects are discussed, however, descriptions are given of the appropriation act and of the organization for budgetary administration.

Nature of Budgetary Administration

Although this study is entitled "Budgetary Administration in the Department of Agriculture," the term "budgetary controls" might appropriately have been substituted for "budgetary administration." Budgetary control is often used synonymously with budgetary execu-

tion; yet in a broad sense the whole process of budgeting, including the formulation of, and legislative action on, the estimates, is budgetary control. The process of appropriation is the principal means by which the Congress exercises its vital control over the purse strings. The Constitutional inhibition that "No money shall be drawn from the Treasury, but in consequence of appropriations made by law," implemented by the statutory mandate that appropriations "shall be applied solely to the objects for which they are made, and for no others,"4 gives the Congress control through the appropriation act not only over the amounts available for expenditure by administrators but also over the purposes for which such funds may be used. The appropriation act may also control the timing of expenditures, the items of expenditure, and other elements. Thus, the appropriation act is of itself a basic framework of controls. Financial controls, from the standpoint of the Congress, therefore, surely include the appropriating process. From the standpoint of the administrator financial controls include also the process by which the budgetary estimate or requests for appropriations are formulated and by which they are presented and justified to the Congress.

Under the Budget and Accounting Act the President was directed to formulate budget estimates for the entire executive branch of the government; furthermore, any subordinate of the President was prohibited from submitting estimates to the Congress independently, unless by Congressional request. Thus, the President and his agency, the Bureau of the Budget, were given a budgetary control parallel to that exercised by the Congress in the appropriation act: that is, the President had control both over the amount and over the content of the estimates submitted to the Congress for the executive agencies. The presidential estimates might be increased, decreased, or even eliminated by the Congress; nevertheless, since the Congress usually appropriated less in the aggregate than the amount recommended by the President, his recommendations carried considerable weight. If the President reduced or eliminated an estimate submitted by an executive agency, the chances were poor for restoration by the Congress. Similarly, department heads and bureau heads exerted an influence that might be characterized as expenditure control in passing on budget estimates submitted by subordinates. At each level there was a screening, filtering, and revising process. The estimates recommended by the official in charge were usually less than those requested by his subordinates. Thus, budgetary or expenditure controls were exerted on budget

⁴² Stat. L. 535; 15 Stat. L. 36.

formulation as well as on its execution. Hence, budgetary control may be thought of as being synonymous with budgetary administration. Surely it is broader than budgetary execution.

Indeed, rather than either "budgetary administration" or "budgetary control" the phrase "the appropriation act" might appropriately have been used in the title, since budgeting centers in the appropriation act. The formulation of budget estimates, though vitally important, is simply the administrative prelude to the appropriation act. And the execution of the budget is mainly the process by which the provisions of the appropriation act are carried into effect and by which the frameworks of control in the act are implemented by more detailed administrative controls.

Although the terms "expenditure control" and "financial control" have been used synonymously with "budgetary controls," an important difference in meaning should be noted. Financial or expenditure controls have two aspects: budgetary and proprietary. Budgetary controls are primarily concerned with the policy side of financial operations—with the purposes for which funds are used. Proprietary controls, on the other hand, are concerned mainly with the legality, accuracy, and regularity of fiscal transactions. In this study we deal mainly with budgetary controls and only briefly with the other aspects of financial controls.

Financial administration, of which budgeting is a part, is usually thought of as being wholly a housekeeping service. In the reorganization reports of The Brookings Institution it was stated that "the primary objective of financial operations of the government is not the performance of direct service to the public but the maintenance of the governmental organizations as a 'going' concern. They are not the ends of administration; they are but part of a means by which an administrative organization can function effectively." Elsewhere, Daniel T. Selko of the Brookings staff has stated that "financial legislation is not an end in itself but rather the means of furthering the objectives of substantive legislation." This definition was, of course, entirely applicable where financial operations involved only the running expenses of a going concern. But not more than 15 per cent of the funds appropriated to the Department of Agriculture were for financing the

⁵Senate Report No. 1275, 75th Cong., 1st sess., p. 65.

^{6&}quot;Determination of Federal Financial Policy," an address presented at the Thirty-fifth Annual Meeting of the American Political Science Association, Washington, Dec. 28, 1939 (mimeo.).

Department itself.⁷ Over four-fifths of the Department's expenditures consisted of items that we are designating for convenience as "program outlays." They included conservation and parity payments to farmers, expenditures for disposal of surplus commodities, rural rehabilitation loans and grants, farm-tenancy loans, rural electrification loans, grants-in-aid to states for extension work and agricultural research. These and similar items for program outlay accounted for nearly \$1,200,000,000 of the Department's total of about \$1,480,000,000 estimated obligations for the fiscal year 1940.⁸ Furthermore, not all the remaining \$280,000,000 was available for operation of the Department. Part of this amount, for example, consisted of capital outlays—purchase of lands, construction of buildings, and similar investments. The exact amount of departmental expenses was not computed; to calculate it would involve complicated problems of definition not germane to present purposes.

Contrary, however, to The Brookings Institution's definition cited above, financial operations involving program outlays concerned the public directly and were not strictly of a housekeeping character. They involved large questions of policies and programs with a direct and immediate bearing upon the pocketbooks of millions of citizens, the rural groups particularly. This bearing greatly affected the nature of the issues involved in the preparation and the review of such a budget.

THE APPROPRIATION ACT

The appropriation act is the hub of budgeting. It is the end product of budget-making and the ultimate basis of important controls on the expenditure side. An analysis of its nature and structure reveals many of the fundamental characteristics of the budget processes.

Significance of the Appropriation Act

It is generally stated that the character and scope of governmental activities, as well as the organization and structure of the agencies, are determined largely by the substantive provisions of organic law rather than by appropriation acts. Nevertheless, the latter bear an important relationship to the programs and organization of executive agencies; they involve vital issues of policy and are important as instruments of control.

⁷For the national government as a whole the amounts available for operations of administrative agencies were only 17.65 per cent of the total funds available for expenditure, according to computations of Lewis Meriam and Laurence Schmeckebier in *Reorganization of the National Government* (1939), p. 24.

⁸Computed from the 1940 schedules of obligation in the 1941 Budget.

The amount of the appropriation obviously controls the magnitude and scope of an agency's program. By withholding or providing funds the Congress can restrict or emphasize any programs or phases of programs that it chooses. It can terminate an activity entirely by refusing to appropriate the funds necessary for its performance. The following provision in the Department of Agriculture Appropriation Act for 1941, as well as for several preceding years, illustrates the point: "No part of the funds appropriated by this Act shall be used for laboratory investigation to determine the possibly harmful effects on human beings of spray and insecticides on fruits and vegetables." Another limitation in this Act prohibited the use of funds for payment of any officer who "issues or causes to be issued any prediction oral or written or forecast with respect to future prices of cotton or trend of same."

Organic acts may authorize vast programs and equally vast appropriations, but only the annual appropriation can make such provisions effective. The authorizations are, in effect, merely expressions of the willingness of the Congress to consider subsequently the appropriation of any amount that does not exceed the authorization. In many instances appropriations fall short of amounts authorized. For example, under the Bankhead-Jones Act of 1935,9 which allocated to the Department a special fund for research purposes, an appropriation of \$5,000,000 was authorized for 1940, but only \$3,800,000 was actually provided.

Congress further controls programs through authorizations and limitations in the appropriation act. For example, the organic act of 1862 authorized the Department to "acquire and diffuse among the people of the United States useful information on subjects connected with agriculture in the most general and comprehensive sense of that word." ¹⁰ The term "subjects connected with agriculture" was obviously broad. It comprehended activities as varied as plants, animals, soils, forests, marketing of farm products, farm finance, and rural life. Hundreds of specific activities in the Department were conducted pursuant to this broad authorization. Congress exercised control over these activities primarily through the provisions of the appropriation act. This practice may be illustrated by the text of one item, "Fruits and Vegetable Crops and Diseases," for the Bureau of Plant Industry in the appropriation bill:

For investigation and control of diseases, for improvement of methods of culture, propagation, breeding, selection, and related activities

⁹49 Stat. L. 4360. ¹⁰12 Stat. L. 387.

concerned with the production of nuts, vegetables, ornamentals, and related plants, for investigation of methods of harvesting, packing, shipping, storage and utilizing these products, and for studies of the physiological and related changes of such products during processes of marketing while in commercial storage.

The titles of other appropriation items for this Bureau further suggest the specificity of the provisions of the appropriation act in contrast to the generality of the organic act: General Administrative Expenses, Arlington Farm, Botany, Cotton and other Fiber Crops and Diseases, Drug and Related Plants, Dry-land Agriculture, Experimental Greenhouse Maintenance, Forage Crops and Diseases, Forest Pathology, Fruit and Vegetable Crops and Diseases, Genetics and Biophysics, National Arboretum, Nematology, Plant Exploration and Introduction, Rubber and other Tropical Plants, Seed Investigations, Soil Fertility Investigations, Soil Microbiology, Sugar-plant Investigations, Tobacco Investigations, Western Irrigation Agriculture.

Not all authorizing acts are couched in as broad terms as the organic act. Many specific and detailed statutory provisions also applied to the Department. For example, an act authorized technical research on the mechanical problems involved in cotton ginning.¹¹ The appropriation item in this instance carried no implementing terminology.¹²

Structure of the Appropriation Act

The appropriation act for the Department usually covered about forty-five printed pages, about six by nine inches in size, and consisted of many items. All, or only a part, of those for a particular bureau might be grouped together to form a mainhead appropriation, such as "Salaries and Expenses, Bureau of Plant Industry." Under this mainhead were subappropriations, or in the terminology used in this study, "appropriation items," such as "Forage Crops and Diseases," and "Cotton and Other Fiber Crops and Diseases." The appropriation item was the unit upon which both the estimates and administrative accounts were based. Hence, for the purpose of this study, items only will be considered.

The number of items in the act varied only slightly from year to year. Those for established lines of work were often reenacted without change. Occasionally two or more items were consolidated; single items were sometimes divided. New items were added, of course, as

^{11 46} Stat. L. 248.

¹² Contained in the appropriation item "Agricultural Engineering Investigations" under the Bureau of Agricultural Chemistry and Engineering for the fiscal year 1940 and under the Bureau of Agricultural Engineering prior to that time.

new programs were undertaken, and items disappeared when programs ceased. The acts for the various years were similar; unless there was some urgent reason for change, the items were repeated in the same

form and phraseology from year to year.

The size of the Department's appropriation items was of extreme contrast: some were as small as \$5,000; other items were as large as \$500,000,-000. Of the 175 items for the fiscal year 1939-40, 145 or about 80 per cent, ranged from \$5,000 to \$900,000, yet they equaled only 2.5 per cent of the total appropriation for the Department. 13 Then, too, 52 of the 145 items were under \$100,000 each. The largest items, such as the agricultural adjustment appropriation of about \$500,000,000 and the appropriation of \$225,000,000 for parity payments consisted mainly of funds to be paid to farmers; only a small percentage of such funds were available for departmental expenses.

Separate budget estimates had to be submitted each year for each appropriation item, regardless of its size. The variation in size tended to cause an unevenness in the treatment of the items. Undoubtedly it would be beneficial to all concerned if many small items were consolidated in order to lessen this unevenness. As a matter of fact, the trend was in the direction of larger items.

Bases of Itemizing the Appropriation Act

There were four common bases by which appropriations were itemized: organization, functions, character of expenditures, and objects or items of expenditure.14

Appropriations for practically all old-line activities of the Department were itemized by bureaus and were made directly to the bureau that conducted the activity. These appropriations could not be transferred across bureau lines. Appropriations for many newer functions, on the other hand, were made to the Secretary, who had authority to allot such appropriations to whatever agencies in the Department he designated to

¹³U. S. Congress. House. Committee on Appropriations. 76th Cong., 3d sess., Hearings before the Subcommittee of . . . on the Agricultural Appropriation Bill for 1941,

Table I, pp. 60-65.

[&]quot;The traditional phrase "objects of expenditure," applied to expenditures for salaries, supplies, rent, and the like, was, in this writer's opinion, an unhappy one because of the dual meaning of the word "object." In the sense in which it was used in the above phrase it was synonymous with "item." In another sense it meant "purpose." Expenditures were classified both by item and by purpose. The classification by "objects of expenditure" was by item and the classification by projects or functions by purpose. The word "object," therefore, is confusing when used to distinguish one of these classifications from the other. We suggest the phrase "items of expenditure" as a substitute, and use it frequently in this

administer the act concerned.¹⁵ The appropriations for agricultural adjustment, disposal of surplus commodities, farm tenancy, sugar, and special research appropriations were examples of those made directly to the Secretary. An important reason for this arrangement was to permit the Secretary to use existing facilities of the Department whenever practicable in the conduct of the new programs and thus to avoid duplication. For example, in the administration of the agricultural adjustment program the statistical services of the Agricultural Marketing Service were utilized to provide data on crop yields and acreages, and the Forest Service was assigned responsibility for the naval stores portion of the program.

Whether the appropriations were made to the Secretary or to the bureaus directly, they were, with few exceptions, itemized by function; that is, each item provided funds to carry out a particular function. In some instances items were specific; in others, broad. To illustrate those that were specific, the titles of several appropriations for the Bureau of Entomology and Plant Quarantine may be cited. There were separate appropriations for research on fruit insects, forest insects, truck crop and garden insects, cereal and forage insects, cotton insects, insects affecting men and animals, and insect pests survey and identification. The appropriation item for soil and moisture conservation and for land-use investigations of the Soil Conservation Service was an example of the broader type.

Distinction between appropriation items was sometimes based upon the character of expenditures. Nearly every old-line bureau had an item for "general administrative expenses" which financed the office of the chief and the central overhead services, such as personnel, accounting, mails, and files. In a few instances, one item provided for program outlay and another for administrative expense. For the Rural Electrification Administration, salaries and expenses were provided by one item and loan funds by another. Similarly, the Farm Credit Administration had a separate item for salaries and expenses; its loan funds were provided by other means. While there was not a separate item in the A.A.A. appropriations for administrative expenses, the provision of the Agricultural Adjustment Act of 1938 limiting administrative expenditures to 3 per cent of the amount appropriated accomplished the same end.

¹⁵For example, Sec. 393 of the A.A.A. Act of 1938 provided: "All funds for carrying out the provisions of this act shall be available for allotment to bureau officers of the Department and for transfer to such other agencies of the federal government and to such state agencies as the Secretary may request to cooperate or assist in carrying out the provisions of this act."

Administrative expenses in such instances included all expenses incident to the functioning of the organization as contrasted to funds paid out to farmers and other payments. Here "administrative expenses" were much broader than the "general administrative expenses" mentioned earlier. The latter included only the "overhead expenses," which constituted only a small portion of the total amount used to finance the whole organization.

The appropriations in the Department's act were itemized on the basis of objects of expenditure in only a few instances. There was one item for rent of buildings and another for printing and binding, but generally the act did not specify the amounts to be spent for each item of expenditure, such as salaries, supplies, communication, and travel. Each appropriation item provided a lump-sum amount available for any objects of expenditure necessary to carry out the purposes of the particular activity. The estimates supporting each appropriation item were broken down on the basis of objects of expenditure to indicate how the administrators planned to use the funds, but this detail was not written in the law. 16 Constituting exceptions to these general statements were some specific limitations written into the appropriation items governing expenditures for items on which the Congress was particularly sensitive. Such provisions limited the amount that might be spent for specified items, such as salaries in the District of Columbia, the purchase of passenger-carrying vehicles, and newspapers.

No appropriations of the Department were in 1940 itemized on the basis of geographical areas, although the Forest Service appropriations in earlier years were itemized by regions. The Forest Service funds were appropriated by function and were allotted administratively to the various regions. The fact that the main itemization of appropriations for the Department was by function was significant, since a fundamental aspect of departmental budget policies was the justification of estimates on the basis of functions.¹⁷

ORGANIZATION FOR BUDGETARY ADMINISTRATION

The auxiliary agencies that assisted the top administrative officials and the Congress in the formulation and execution of the budget included the Department's Office of Budget and Finance and its finance offices within its bureaus. In the Bureau of the Budget, the staff of the

¹⁶ As pointed out below, p. 432, however, the Department was informally committed to adhere closely to its estimates.

¹⁷ See below, p. 421.

Division of Estimates reviewed departmental estimates. In the Congress the subcommittees of the Committee on Appropriations in each house considered the Department's estimates.

The Office of Budget and Finance

Following the passage of the Budget and Accounting Act in 1921, W. A. Jump¹⁸ was designated as Budget Officer for the Department. In 1040 he was serving in that capacity and was also Director of Finance 19 for the Department. The Office of Budget and Finance, which he headed, was not established until 1934; previously Mr. Jump had served both as Budget Officer and as an assistant to Secretary Henry C. Wallace and later as assistant director of the Office of Personnel and Business Administration prior to the formation of the finance office as a separate auxiliary agency. As constituted in 1940, it had five divisions and two independent sections: Division of Accounts, Division of Estimates and Reports, Division of Fiscal Management, Division of Purchase, Sales and Traffic, Division of Bureau Accounting Service, Uniform Projects Section, and Emergency Projects Section.

The Division of Estimates and Reports and the Uniform Projects Section were most directly concerned with budget estimates. The former assisted the Budget Officer in all matters on the preparation of estimates and their presentation to the Bureau of the Budget and to Congressional committees. The latter administered the uniform projects system, which tied in closely both with the estimates and with the allotments.²⁰ Actually, the staff of the Uniform Projects Section, during an extended period pending certain adjustments in personnel, played a major part in this work. The staffs of this Section and of the Division of Estimates and Reports collaborated so closely that the formal organizational lines were virtually lost sight of. Both units were small. In January, 1940, there were four employees in the Section, all of whom worked parttime on estimates, with three in the Division who worked nearly fulltime on the estimates.21

¹⁸ See above, p. 334.
¹⁹ Director of Finance and Budget Officer are used interchangeably in this account.

²⁰ For a description of this system see below, pp. 437-39.

For a description of this system see below, pp. 437–39.

In January, 1940, there were two additional employees in this Division performing legislative reference duties. They prepared digests of the Congressional Record, hearings, reports, and other legislative documents primarily for the information of the Budget Officer and other officials who had to keep in touch with current Congressional developments. They also assisted the Budget Officer in the clearance with the Bureau of the Budget of drafts of proposed legislation, reports on pending bills, and reports on enrolled bills. This latter function paralleled that performed by the Legislative Reference Division of the Bureau of the Budget. For an account of this clearance work in the federal gov-

The Division of Accounts performed central accounting functions and in addition assisted the Budget Officer in preparing apportionments of all appropriations and the allotment of those funds appropriated directly to the Secretary rather than to the individual bureaus. The Division of Fiscal Management was, during 1939 and 1940, developing facilities for continuing administrative research. Its efforts were devoted to the examination and improvement of fiscal operations in the bureaus, the development of more effective and economical methods of utilizing available funds, and the analysis and appraisal of the bureau fiscal programs. The functions of the Division paralleled in many ways those of the Division of Administrative Management in the Bureau of the Budget.

The Division of Bureau Accounting Service provided administrative accounting service for the Office of the Secretary and for other departmental administrative offices, as well as for several bureaus that were too small economically to maintain individual accounting offices. The Division of Purchase, Sales and Traffic had a general supervisory responsibility over procurement for the Department. It operated a central supply store and provided complete procurement service for some bureaus of the Department. The Emergency Projects Section operated as executive staff to a committee that coordinated the Department's activities conducted with work-relief funds.

A group of departmental officials collaborated with the Budget Officer in reviewing the budget estimates submitted by the bureaus and in formulating the departmental estimates.²² While for convenience this group was called the Budget Committee, it was not formally constituted, as many departmental committees were, nor did it operate in a formal way. One reason for having group consideration was that budget estimates involved highly important questions of policies and programs for consideration of which several heads were better than one. Moreover, an important aspect of the formulation of estimates was the coordination of the various phases of the Department's program reflected therein. The participation of key administrators in this process was advantageous not only because it brought several points of view to bear on the problems but also because it promoted a common understanding

ernment see Edwin E. Witte, "The Preparation of Proposed Legislative Measures by Administrative Departments," in Report of the President's Committee on Administrative Management (with Special Studies) (1937).

²²This group consisted of the Director of Budget and Finance and usually either the Under Secretary or the Assistant Secretary, an assistant to the Secretary, the Director of Research, the Director of Personnel, and one or two other general-staff members.

and a unity of purpose that contributed to administrative effectiveness when the programs were ready for execution. Furthermore, this group could share with the Budget Officer the great responsibility involved in making recommendations on estimates.

Bureau Fiscal Offices

The position of the bureau budget and fiscal officers in the organization and the relationship of the budget staff to other auxiliary services varied from bureau to bureau. In many bureaus a business manager, or an assistant bureau chief, was in charge of a division of administration that included personnel, budgeting, accounting, and other auxiliary units.

In most bureaus work on budget estimates and allotments was assigned to a unit separate from the one that handled accounting and auditing functions. In some bureaus a chief fiscal officer was in charge of both types of work; in others, the two reported independently to the business manager or similar officer. Regardless of the position of the budget representative on the bureau's organizational chart, his responsibilities caused him to work directly and intimately with the bureau chief and other top officials. Hence, formal organizational lines did not always reflect the actual lines of responsibility or communication. An anomalous situation arose in various bureaus in which the budget representative was nominally under a fiscal officer, who in turn was subordinate to a business manager; actually the budget representative reported to, and worked directly with, the bureau chief on budget matters.

In 1940 the position of budget representative was in an evolutionary process. In some bureaus the position was highly developed. The budget representative not only supervised the clerical phases of preparing estimates, allotments, and reports but also carried heavy managerial responsibilities. He participated with the top bureau officials in the consideration of the large policy issues involved in budgeting, and he played an important part in developing the justifications of the estimates and in supervising expenditures.

In other bureaus, however, there was no one person who could be called a budget officer. There was a budget clerk who did the necessary and important clerical and technical work involved in budgeting, but the more responsible phases of the work were performed by the business manager, by an assistant to the chief, or even by an assistant bureau chief. The degree to which a budget officer in a particular bureau de-

veloped as manager could be gauged to some extent by the degree to which he was relied upon by the Department's Budget Officer and his staff for the handling of budgetary problems affecting that bureau. When the bureau budget staff operated only in the clerical zone, the departmental staff must look to some member of the immediate staff of the bureau chief or to the chief himself for decisions on matters of less than first-rank importance; when there was a strong, competent budget officer in the bureau, he could be relied upon to deal conclusively with all except the most important matters of budget work. There were indications in some bureaus, as well as in the Department itself, that the position of budget officer would eventually evolve into a position of general manager.

Division of Estimates, Bureau of the Budget

The Department's estimates were handled in the Bureau of the Budget by a chief budget examiner, who, in 1940, was James E. Scott, formerly an official of the Forest Service. This examiner was in the Division of Estimates, which was in charge of an assistant director of the Budget. The examiner in charge of the estimates for the Department was also in charge of the estimates of the Treasury Department and the Federal Loan Agency. He had, in addition to a clerical and junior staff, two senior staff members to assist him in the work on the agricultural estimates. The examiner also handled other matters of the Department, such as the apportionments of the Department's funds. He served in general as liaison officer for the Bureau of the Budget with the Department of Agriculture.

Staffs of the Congressional Appropriations Committees

Both the Senate and the House Committees on Appropriations had small permanent staffs, which played an important role in the process. Throughout the period when the estimates were being considered and the appropriations were being processed there was frequent need for intimate contact between these men and the staff in the Department's Office of Budget and Finance.

FORMULATION OF THE BUDGET

There were four principal steps in the preparation of annual estimates. First, the bureaus prepared the bureau estimates; second, the departmental officials reviewed the bureau estimates and prepared the departmental estimates; third, the Bureau of the Budget and the President

reviewed the departmental estimates and determined the President's estimates; and, fourth, the Congress considered the President's proposals and enacted the appropriation bill.

About fourteen months elapsed from the first steps of budget-making in the bureaus until final legislative action. The work on bureau estimates began in the Department at least by May 1 of each year, which was fourteen months before the beginning, and twenty-six months before the close, of the fiscal year to which they related. The bureaus submitted the estimates to the Department about two weeks after the passage of the previous appropriation act near the end of June. The act for the fiscal year 1939-40, which went into effect July 1, 1939, was not signed by the President until late on the preceding day. The preparation of the estimates for the fiscal year 1940-41, which began in May, 1939, was well under way, therefore, before it was known what funds would be available for 1939-40. The Department submitted its estimates to the Bureau of the Budget, as required by the Budget and Accounting Act, by September 15, and the President's Budget went to Congress early in January. The Congress then had six months before the beginning of a new fiscal year in which to consider the estimates and to pass the appropriation bills. In addition to the regular estimates, supplemental estimates were processed from time to time throughout the year when conditions developed requiring supplemental appropriations.

The Bureau Stage

The detailed methods of preparing the estimates varied from bureau to bureau, but the basic steps were the same. (Figure 1-A, at page 451.) Top-ranking officials, including the chief, assistant chiefs, division leaders, and budget officers in the bureaus, devoted a goodly portion of their time and energy to the task during the weeks in which the estimates were being prepared. Usually estimates originated in the divisions; they were then reviewed, analyzed, and submitted with recommendations by the bureau budget officer to the bureau chief, who revised both the content and the amount of estimates. Finally, estimates were prepared by the bureau budget officer for submission to the Department.

Bureau officials collaborated throughout this procedure. The bureau chief spent hours in conference with his subordinates in planning the program reflected in the estimate. The budget officer worked closely with the division leaders and often directly with an assistant bureau chief in preparing the justification statements. The accounting office cooperated in compiling data on past expenditures and current allot-

ments for inclusion in the budget estimates, and the personnel office was called upon to compile data on personnel. When an increase was requested for an appropriation item, the division concerned was asked to supply a detailed breakdown by items of expenditure showing how the money was to be used.

The Office of Budget and Finance prescribed the form of the bureau estimates submitted to the Department. The basic fiscal data in these estimates were contained in the "detailed tabulation" (Figure 2 at page 454), which showed for each project and subproject: the amount of the appropriation for the previous year; the amount of the appropriation for the current year; the amount estimated for the budget for the succeeding year; and the amount of increase or decrease in estimate as compared with the appropriation for the current year. The data presented in this manner enabled one to see at a glance the comparative financial status of each project and subproject over a three-year period. Formerly four additional columns appeared on this form in which the bureaus classified the proposed increases according to priority; that is, the increases considered most urgent were listed in the first column, the next most urgent were listed in the second column, and so on. The purpose of this classification was to give departmental officials and indication of the comparative valuation placed on the items by the bureaus and thus to assist in their consideration of the estimates. To prevent the bureaus from listing all their increases in the first priority column and thus to defeat the purpose of the plan, the Department required that the total increases for each bureau be divided into four equal parts and that an equal amount be listed in each of the four columns.

The priority classification, while theoretically valuable, was little used and was eliminated. Actually, the bureaus indicated their evaluation of the items in other ways. When they presented their justifications orally to the Budget Committee, emphasis was naturally placed on those items considered to be the most important; when they scaled down their estimates to come within the total set for them by the Budget Committee, the least urgent increases were naturally reduced or eliminated before the more urgent items were touched.

The second part of the bureau estimates was the "summary tabulation" (Figure 3 at page 454), which summarized on the basis of appropriation items the data given by projects in the "detailed tabulation." The third part (Figure 4 at page 455) contained the proposed changes in the text of the appropriation item and an explanation of the proposed changes. The next part contained the justification for, and the

explanations of, the proposed increases or decreases in each project estimate. The final part of the estimate was called "digest of estimates" (Figure 5 at page 455); it contained a list of the proposed increases and decreases with a brief one-sentence justification and explanation for each. This form also had columns in which to record the subsequent budgetary history of each item. One column headed "Department Estimates" listed the figure allowed by the Department; another headed "Budget Estimates" listed the figure approved by the President.

The Department Stage

Upon their receipt in the Office of Budget and Finance, the estimates were analyzed and summaries were prepared by its Division of Estimates and Reports.²³ The estimates were then laid before the Department's Budget Committee, which reviewed them and prepared recommendations for the Secretary. After making its preliminary review, the Committee usually conferred with the Secretary to obtain an indication of his general budget policy and to get a decision on special or key items in the estimates. Following this conference the Committee set tentative totals for each bureau or for each major activity. The bureau officials were then called in for conference, bureau by bureau. The estimates of each agency were reviewed in the light of the general fiscal situation and in relation to the estimates of the Department as a whole. Usually the aggregate amount of all the bureau estimates was so large that the need for a general scaling-down was apparent to all. The Committee informed the bureau chief of the total set for his bureau, and if after discussion with him no change was made in it, he was asked to revise the estimates of his agency to conform to this total. The Committee usually permitted the bureau chief considerable discretion in the distribution of the total for the bureau among the component items. Sometimes, however, the Committee designated in detail the amounts to be allowed for items of special interest.

The allocations made by the bureau chief were subject to review and revision by the Budget Committee before being finally approved for inclusion in the Department's estimates. When the bureaus submitted their revised estimates, the Committee made final recommendations to the Secretary. The estimates were presented to him in digest form, including alternative plans on controversial items in order that he might act upon them with a minimum of time. The Budget Officer and other members of the Budget Committee kept in touch with the Secretary

²³See Figure 1-A at page 451.

more or less constantly throughout the year and reflected his views as much as possible in the plans that they submitted for final approval, so that the final conferences between the Secretary and the Committee need not be too prolonged.

After the Secretary made his decision on the estimates, the Office of Budget and Finance advised the bureaus of his action, whereupon they began the task of preparing the estimates in the form required for presentation to the Bureau of the Budget. The Department's Budget Officer consulted with the bureau staffs in the preparation of the estimates, coaching them on what to stress in the justifications and how to present the explanation of certain problems. The Division of Estimates and Reports supervised the technical phases of preparing the budget documents to insure that the prescribed form was followed. The Office of Budget and Finance also compiled and coordinated the revised estimates received from the bureaus; it transmitted them to the Bureau of the Budget with a covering letter signed by the Secretary in which he discussed the high points of the estimates and the policy considerations involved.

The Department's estimates submitted to the Bureau of the Budget in the form prescribed by the Director of the Budget contained: the suggested text for each appropriation item; a schedule of obligations (the so-called green sheets) for each item; certain special statements on passenger-carrying vehicles, etc.; and explanatory notes, known as justifications. The text of each item as it appeared in the previous appropriation act was quoted verbatim in the Department's estimates. If changes were suggested, the phraseology to be deleted was enclosed in brackets and phraseology to be inserted typed in the margins.

The schedule of obligations for each item (See Figure 6 at page 456) included a breakdown of the obligations for three fiscal years: past, present, and future. The obligation figures for the last completed fiscal year were actual, but those for both the current and the future fiscal years were estimated. The obligations were classified by items or objects of expenditure (salaries, supplies, travel, etc.) and by projects or functions. The objective classification was prescribed by the General Accounting Office,²⁴ and was uniform for the entire government. The project classification was not standardized. It varied from activity to activity. The projects in the Department of Agriculture were subdi-

²⁴ See General Accounting Office Bulletin No. 1, revised 1927. The objective classification is printed in the appendix of Buck's Public Budgeting and is discussed in his chapter on "Classification of Expenditures and Income," pp. 177-239.

visions of the function performed under the appropriation items. For example, under the item "cereal crops and diseases" were the following projects: barley investigations, corn investigations, seed-flax investigations, sorghum investigations, oat investigations, rice investigations, wheat investigations. Each of these was in turn divided into subprojects.

The Department justified its estimates by function, using the project as the unit. Separate justification statements were submitted for each of the three hundred and fifty-odd projects in the Department. (See Figure 7 at page 457 and Figure 8 at page 459.) Each statement contained two parts, an explanation of increases or decreases and a description of all work done under each appropriation item. In addition, special statements were also included in the Department estimates, such as statements of transfers between appropriation items; of the amount to be spent for the maintenance, repair, or operation of passenger-carrying vehicles; and of expenditures for printing and binding.

The Executive Stage

The estimates reached the Bureau of the Budget²⁵ about September 15; shortly thereafter the budget hearings were held.²⁶ For from three to five weeks a chief budget examiner of the Division of Estimates, with two assistants, sat with departmental representatives to consider the estimates item by item. At the opening session of the hearings the Secretary presented a preliminary, over-all analysis and justification of the estimates submitted by the Department. Then the bureau officials followed in succession to explain and justify the detailed estimates for their offices. The Department's Budget Officer, who served as the Department's liaison officer with the Bureau of the Budget, was present at all hearings and was in charge of the negotiations. He took active part in the discussions when an issue of Department-wide interest arose or whenever he could otherwise assist in the presentation of justifications for the Department's estimates.

After these hearings, the Budget Bureau's investigators prepared their findings and made recommendations to a board of review of the Bureau, which in turn prepared final recommendations for the approval of the Director of the Budget. The Director then submitted his proposals to the President and went over the items personally with him. Recom-

²⁵See Figure 1-B, p. 452.

²⁶ See the statement of Daniel W. Bell, then Acting Director of the Budget. U. S. Congress. House. Committee on Appropriations. 76th Cong., 1st sess., Hearings before the Subcommittee of . . . on the Treasury Department Appropriation Bill for 1940, pp. 941-45.

mendations and brief justifications were submitted to the President for each appropriation item.

When the Department was informed of the amounts allowed by the President, it might appeal to the Director of the Budget for reconsideration of items particularly worthy that had been reduced, or the Secretary might appeal directly to the President. After the final decision, the Department undertook the detailed revision of its estimates to conform to the President's action. Each bureau revised its own set. After revision they were again submitted to the Bureau of the Budget, this time for compilation in the President's budget.

The President's estimates in the printed Budget submitted to the Congress contained the text of each appropriation and the schedules of obligation in the same form in which they appeared in the Department's estimates submitted to the Bureau of the Budget. The President included in the Budget brief notes on the estimates that he recommended to Congress. The notes covering the Department of Agriculture's activities occupied about three pages in the Budget for 1940-41. More complete information on the estimates was provided to the Congressional committees by the Department. It submitted voluminous "explanatory notes" to the House subcommittee in charge of the agricultural bill, which filled three or four mimeographed volumes. Excerpts from the notes submitted to the Congress were printed in the committee hearings and were therefore made part of the permanent record. The printed hearings were available to the Senate subcommittee; consequently, the Department did not repeat this submission but presented to the Senate subcommittee notes on all departmental items in the Budget that had been decreased in the House bill. These notes explained what effect each of the reductions, if sustained, would have on the Department's activities. The Department generally endeavored to get the Senate to restore Budget estimates reduced by the House.

The Legislative Stage

Upon submission to the Congress in the early days of January the President's Budget was referred to the appropriation committees of both chambers.²⁷ A standing subcommittee of the Committee on Appropriations in each house considered the estimates for the Department. The House subcommittee took the first action on the bill. It conducted extensive hearings on the President's recommendations for a period of four to six weeks, usually in January, February, and March

²⁷See Figure 1-C, p. 453.

of each year. The Secretary, the Budget Officer, and the bureau officials appeared before it to explain and justify the proposals. The bureau officials rather than the departmental officials or Bureau of the Budget officials presented the main body of the testimony. Congressmen wanted to deal directly with those who had immediate responsibility for carrying out the activities and who were posted on the details of the subjects the committees might wish to discuss. They used this opportunity to question the administrators not only on the way in which the funds contemplated in the estimates were to be used but also on the performance of activities financed by appropriations of previous years. Frequently on these occasions Congressmen expressed opinions that had great weight in the departmental determinations on future use of appropriations.

Policies and Relationships

Under 1940 procedures no specific restrictions were placed on the bureaus about the amount or character of the preliminary estimates that they were to submit. Consequently, the annual bureau estimates far exceeded the amount that the Department felt justified in recommending to the President or that the Congress could be expected to appropriate. The Department, therefore, was faced each year with the necessity of cutting the bureau estimates.

The question might be asked: if the bureau estimates were to be cut regularly, why not save trouble by requiring the bureaus to confine their preliminary estimates to a predetermined figure set by the Department? Several reasons were advanced for not making such a requirement. If the function of budgetary and appropriating authorities were simply to say "no" as often as possible to those requesting funds, the setting of an advance top limit on the estimates would be an effective, though arbitrary, method of accomplishing this end. Though the budget system might, and undoubtedly did, operate to reduce the estimates of spending units, the system was not concerned solely with minimizing drains on the Treasury. Equally important was its responsibility to appraise and evaluate estimates in terms of merit and need in order that precedence might be given to the most urgent and to the most worthwhile and to develop an integrated, coherent, and well-proportioned spending program as a whole. Departmental officials in Agriculture concerned with budgeting did not dam the flow of estimates at their sources but rather sifted, filtered, and revised the estimates placed before them by the bureaus. Each bureau was permitted, as a matter of course,

to submit preliminary estimates considered reasonable and meritorious in the light of its own situation. Keeping in mind the current fiscal policy, departmental officials then took the responsibility for building out of these bureau proposals a balanced and reasonable set of estimates for the Department as a whole.

This practice was considered important for policy reasons. The bureaus, the units that actually carried out the programs in which the Department was engaged, were held responsible for getting results. Demands were constantly placed upon them from all sides—from the Congress, trade groups, the general public, and the Department itself—for more service, better performance, more effective leadership. Looking constantly to the bureaus for results, the Department extended to them an annual opportunity to state upon the record the funds they thought necessary if results were to be obtained.

Although the Department cut bureau estimates substantially, usually drastically, and failed to recommend all that bureaus requested, once the departmental estimates were determined, it operated aggressively and without apologies to obtain adequate funds for the effective performance of its functions. Its Budget Officer conceived his primary responsibility to be the procuring of necessary funds for his agency. On the other hand, he must also work for the economical and prudent expenditure of funds after they had been obtained. As a matter of fact, as he realistically admitted, his effectiveness in obtaining funds would be impaired unless he made some effort to insure that the funds were not recklessly and extravagantly used.²⁸

The Congress placed great responsibilities upon the Department, from which the public expected a vast amount of service. Its ability to serve depended ultimately upon its ability to justify its activities to those who held the purse strings in a way that persuaded them to appropriate adequate funds to finance its services. On the other hand, the Department recognized a real responsibility to consider financial limitations and to weigh the probable benefits against the costs that would be incurred. The Secretary as head of the Department pleaded the case for agriculture; but he was also a member of the President's Cabinet and bore a responsibility for assisting the President in the development of a reasonable and balanced program for the government as a whole. Although the Department was not primarily responsible for fiscal

²⁸ See W. A. Jump, "Budgetary and Financial Administration in an Operating Department of the Federal Government," Proceedings of the Twenty-Eighth Conference of the Governmental Research Association (1939), pp. 78, 82–83.

policy, if the current policy of the government was to reduce expenditures, the Secretary must do his part by keeping the estimates of his

Department reasonably in line with that policy.

Leonard D. White²⁹ has noted a "professional" influence at work throughout the government tending to hold down departmental estimates. This attitude resulted from the desire of budget officers to submit estimates that would be regarded as professionally competent by the experts in the Bureau of the Budget. Excessive, unwarranted, padded, or ill-considered estimates would bring the budget officer into disrepute with his colleagues, and a departmental budget officer did not wish to be placed in the position of trying to defend them. This influence was strongly noticeable in the Department. Not only the Budget Officer but also bureau officials and those who served on the Budget Committee took pride in their efforts to produce a reasonable set of estimates for the Department—estimates that they felt could be defended with justice. The officials of the Bureau of the Budget and the members of the Congressional appropriation committees took similar pride in their efforts. Almost every year Representative Cannon, chairman of the agriculture subcommittee of the House Committee on Appropriations, in opening the debate on the agricultural appropriation bill on the floor of the House, pointed out that he and his colleagues had reduced the budget estimates and were reporting a bill considerably smaller than that recommended by the President.

The question arises: Upon what basis does the Department revise the bureau estimates and formulate the Department estimates? The Department's magnitude and complexity compelled its officials to use a broad rather than a minutely detailed approach in developing its budget, which constituted about one-seventh of the federal budget. Its staff comprised about 80,000 regular employees and, in addition, a large corps of temporary and seasonal workers. Several of its bureaus, such as the A.A.A., Forest Service, Soil Conservation Service, and F.S.A., had budgets for running expenses exceeding \$10,000,000 and had staffs of several thousand persons. These bureaus were larger than entire federal departments and larger than all except the biggest city and state governments.

The complexity, perhaps more than the sheer size, of the Department, rendered impossible the making of decisions on details, including those in the estimates, at the departmental level. Consequently, it was often neither possible nor desirable for the Budget Officer to delve into all

²⁹Introduction to the Study of Public Administration (rev. ed., 1939), p. 214.

the intricate questions of detail in the estimates for the nearly 170 appropriation items, 350 projects, 900 subprojects, and the multitudinous specific lines of work making up the subprojects. The specialists in the individual bureaus must be relied upon to pass upon many questions of detail. Furthermore, if the departmental officials consumed their time on details that the bureaus could handle, they would have to neglect the broader issues raised by the bureau proposals and issues involving departmental policies and responsibilities that could be dealt with only at the departmental level. Subject to final departmental review and determination, the head of each bureau was given considerable discretion in proposing the allocation among the various items in his estimate of the total amount to be included in the departmental estimates. For similar reasons the Budget Committee considered the bureau estimates in the main on the basis of projects rather than items of expenditure or of organization units.

The project was the unit of the program of work. It reflected the job to be done, the service to be provided, or the functions to be performed. Items of expenditure, on the other hand, reflected only the means used to do the job, and organization units indicated the mechanisms which performed the operations. Projects related the proposed expenditures to the underlying program of work and to the purposes and ends to be served by the program. The Department emphasized projects in its justifications in order to concentrate time and energy on the broad questions of policy—the determination which programs should or should not be undertaken, which activities restricted and which emphasized, and what amounts were to be made available for expenditure. This emphasis was important for the Department of Agriculture since a large portion of the Department's funds was for program outlays, such as conservation and parity payments to farmers, rural rehabilitation loans, and disposal of surplus commodities, which involved large social and economic questions.

Budget Justifications

Budgetary mechanisms were set at every stage to require the person presenting the estimates to explain and justify his proposals. The quality of the review of estimates, both by administrative and legislative officers, depended to a large extent upon the quality of the justifications submitted. This dependence was particularly true of the federal government, the size, complexity, and geographical scope of which prevented those reviewing the estimates from having firsthand knowledge of conditions.

The justification material must be adequate to permit intelligent consideration of proposals for new programs and intelligent evaluation of existing activities. Otherwise, the decisions on estimates were apt to be only shots in the dark, and the meritorious items were apt to be stricken with the undeserving.

The Department was conscious of its responsibilities to present substantial data in support and in explanation of its justifications and to submit them in the best possible form. An extensive project was undertaken by the Office of Budget and Finance in the early months of 1940 to improve the quality of the Department's justifications. In cooperation with the budget representatives in the Department's bureaus, studies were made to determine the best types of data to be included in justifications of various kinds of activities, and suggestions were developed on the best manner of presenting this information. Then a series of educational conferences was held with other officials in the bureaus who had a part in presenting and preparing the data in support of the estimates. The ideas developed by these studies and conferences were summarized in a circular issued by the Office of Budget and Finance.³⁰

In this project attempts were made to improve the justifications in the light of two criticisms commonly made of them, first, that they were not well rounded, that essential factors were frequently not discussed; second, that they were deficient in specific, concrete, factual data but were profuse in generalities or unsupported assertions. About the first criticism it should be noted that a budgetary submission was not only an estimate of financial needs: it was also a proposal for a program of work and often a report on past performances as well, showing what benefits, if any, had resulted from the expenditure of public funds. In fact, the justifications constituted one of the most important sources of information on plans and programs of the various agencies.

The portion of the justifications headed "Work Under This Appropriation" was particularly in the nature of a report on current activities; it enabled those who passed on the estimates to weigh the merits when reviewing the appropriation request. In its instructions to the bureaus the Office of Budget and Finance stressed that these statements should give a concise but well-rounded picture of the work, covering such factors as objectives, problems, status, methods, progress, accomplishments, and outlook for the future. The Office advised that justifications of increases should contain, in addition to information on the

³⁰Budget and Finance Circular No. 172, June 5, 1940.

background and significance of the proposals, answers to four basic questions: What does the agency want to do? Why should it be done? How will it be done? How much will it cost? A uniform set of headings for the justification statements was prescribed by the Office. The use of the headings is illustrated in Figures 7 and 8. They were so arranged that the four general questions would be answered in the order listed.

Concerning the second criticism—that justifications were based too largely on generalities—the Office emphasized that an effort should be made to cover in as specific terms as possible the facts, the reasoning, and the policy considerations underlying the estimates.

The opposite of generalities is quantitative data. There has been increasing, though belated, emphasis throughout the federal government on the use of quantitative data on work units, unit costs, and accomplishments in budget justifications.³¹ William E. Mosher has pointed out the significance of quantitative data for improved budgetary practices:³²

If budget bureaus and budget officers were accustomed to think in terms of units of work and performance achieved in the past and to be achieved in the future, possibly relating them to man-hours, equipment-hours, unit and overhead costs, and the like, the determination of the new budget could be handled on a much more realistic basis and with closer reference to known facts and reliable predictions, thereby eliminating a considerable part of the "higgling" that in so many jurisdictions characterizes the annual get-togethers of the budget bureau and the departmental heads.

Charles A. Beard has advised that "until we have established more exact conceptions and units of performance, our great administrative and accounting and controlling system may prove to be largely an illusion."³³

The purpose of providing exact data on work loads, unit costs, and accomplishments is, of course, to demonstrate specific administrative financial needs and to indicate in precise terms what the public is getting for its expenditures. It is not enough, for example, to say that a thousand dollars will be spent for road-building. Data on the number of miles to be built, the kind of road, and the cost per mile are essential for intelligent review of such an estimate. There is danger, however, of over-

⁸¹Budget and Finance Circular No. 172 contained detailed suggestions on the use, as well as on the limitations, of such data in the departmental justifications. Budget and Finance Circulars No. 120, August 4, 1939, and No. 127, April 4, 1940, also dealt with this subject.

^{32 &}quot;The Development of Work Units in Public Administration," The Work Unit in Federal Administration (1937), p. 7.

^{38 &}quot;The Role of Administration in Government," ibid., pp. 2-3.

emphasizing the usefulness and applicability of quantitative data in the determination of budgetary issues. The quest for a scientific formula or a budgetary slide rule to produce all the answers is futile.

Even in a simple item, quantitative data alone are not sufficient. In order to reach a decision whether the roads should be built, it is necessary to have qualitative information on the kind of road to be constructed and the purposes to be served by it. Quantitative information may indicate how much road can be built for what cost, but not how well the job will be done or whether it will serve a sufficiently useful purpose to justify its cost.

In certain types of activities calculations can be precise. A large part of the activities of the Rural Electrification Administration, for instance, was susceptible to measurement in terms of such factors as the number of miles of lines constructed, the costs of various items, and the number of farmer cooperatives or of farm families being served. It was possible for the R.E.A. to schedule its activities in great detail so as to know the time requirements and hence to estimate costs in advance with considerable accuracy. Officials of this agency took pardonable pride in their success in building a "calculated" budget.34 Other activities in the Department were susceptible to reasonably precise calculations. For example, the Forest Service knew how much it cost to build a mile of a given type of forest road or trail; and the F.C.A., through its costaccounting methods, developed precise information on the costs of administering various phases of its loan activities. The Warehouse Division of the Agricultural Marketing Service had measures of its work in terms of the average time required to inspect a given volume of warehouse capacity on the basis of which costs could be computed according to commodities and conditions. The time required to inspect a warehouse filled with cotton was obviously different from that for one filled with wheat; but it was possible, through work-load data of this sort, to indicate fairly precisely the work load, the costs of performing each unit of work, and the amount of service, therefore, that the public would get for each dollar expended for the warehouse activities.

In all the activities discussed there was one common factor: their results were both predictable and tangible. In research activities, however, it was not possible to forecast results. The estimates could not state what the public would get, either in terms of quality or quantity, for

³⁴ See U. S. Congress. House. Committee on Appropriations. 76th Cong., 3d sess., Hearings before the Subcommittee of . . . on the Agricultural Department Appropriation Bill for 1941, pp. 1038–1150.

the proposed expenditures. From experience the Department could safely predict that the research program as a whole would produce tangible results that would many times repay the expenditure. Therefore, the justification for research items must be based upon records of accomplishments and confidence in the continuance of successful efforts. By far the largest part of the Department's budget consisted of payments and loans to the farming groups. Here again the budget could not be based on scientific calculation of need. The amount to be appropriated depends almost entirely upon policy issues.

It is thus apparent that large and important phases of governmental activities were not susceptible of quantitative or objective analysis; therefore, the budgets for such activities could not be calculated on a scientific basis. Whether one thinks more or less should be appropriated for such activities depends in many instances upon one's social and economic views rather than upon quantities of work or upon the quantitative results accruing from such activity. One must rely upon judgment, common sense, interpretation of current legislative policy, and personal scales of value in appraising and in justifying such estimates.

EXECUTION OF THE BUDGET

Expenditure controls may be analyzed in various terms: who exercises the control; why, or for what purpose the control is exerted; how the control is exercised; and what is controlled. In the federal government several officials and agencies played a part in controlling expenditures; the Congress, the President assisted by the Bureau of the Budget, the heads of departments and bureaus assisted by the staffs of their finance offices, and the General Accounting Office. These officials exercised control to insure that prescribed policies were being observed; to achieve wise, economical, and effective use of funds; and to insure the legality, accuracy, and regularity of fiscal transactions.

Controls were exercised by a variety of techniques and through a variety of instrumentalities. Some were exercised through organic and appropriation laws; others through apportionments, allotments, ac-

⁶⁵The National Resources Committee's report, Research—A National Resource (1939), pp. 27–28, cites several illustrations of the economic benefits resulting from research conducted by the Department of Agriculture. The annual return from twenty-two specific accomplishments of the Bureau of Plant Industry, for example, was listed at \$230,000,000 annually. The largest item on the list was the breeding and introduction into use of a variety of spring wheat resulting in an annual increase of production worth \$40,000,000 and improved quality worth not less than \$5,000,000. The former Bureau of Chemistry and Soils, according to this report, estimated that only about 5 per cent of its research was productive, a usual average for most research activities, but that 5 per cent repaid more than a hundred dollars for every dollar spent on the whole program.

counts, and audits. There were also less formal techniques and instruments, such as consultations, inspections, and investigations by which influences were brought to bear upon expenditures. Under the heading "what was controlled" might be listed the amount, the purposes, the items, the character, the rate, the timing, or the procedure of expenditure. In addition, controls might be concerned with the person or organization making the expenditure or the locality in which or for which it was made.

Congressional Controls

Congressional controls exerted through organic and appropriating legislation, as well as through less formal methods, dealt primarily with the functions for which funds might be used by administrative officials and with the amounts that they might expend; objects and the timing of expenditure were also affected. Every function for which funds were used must be authorized by the Congress. The basic authorizing acts set down the policies to be observed by administrators in more or less detail, and the annual appropriation acts contained numerous stipulations and restrictions on the uses to which funds might be put. For example, the Agricultural Adjustment Act of 1938 limited the amount that might be used for administrative expenses to 3 per cent of the total amount appropriated. It also contained formulae that governed the Secretary in the allocation of funds to the various phases of the conservation program.³⁶

Thus, the discretion of the Secretary was limited so that his sphere of authority was not so large as might be supposed from the fact that the annual lump-sum appropriation for the A.A.A. program was almost \$500,000,000. In addition to the restrictions of authorizing legislation, detailed limitations were specified in almost 180 separate appropriation items for the Department.

An examination of legislation does not reveal the full story of Con-

³⁶ Sec. 104 of this Act provided that the Secretary should give equal weight to "(1) The acreage planted to the various commodities (including rotation pasture), for the ten years 1928–1937, adjusted for abnormal weather and other conditions, including acreage diverted from production under the agricultural adjustment and soil conservation programs; (2) the value at parity prices of the production from the allotted acreages of the various commodities for the year with respect to which the payment is made; (3) the average acreage planted to various commodities during the ten years 1928–1937, including the acreage diverted from production under the agricultural adjustment programs, in excess of the allotted acreage for the year with respect to which the payment is made; and (4) the value based on the average prices for the preceding ten years of the production of the excess acreage determined under item (3)." Under sec. 303 of the same Act the Secretary was directed to apportion parity payments "to the commodities in proportion to the amount by which each fails to reach the parity income" as parity income was defined in the Act.

gressional controls over the functions for which funds were expended. The intent of the Congress was observed whether written into the law or not. It was recorded in the hearings, in the committee reports, and in the debates on the floor. The reports of the Appropriation Committees to the House and the Senate commonly specified the purpose for which individual increases or decreases in the bill were allowed. In the House report on the 1939 Act for example, increases in appropriation items were specified for such purposes as the construction of a tobacco laboratory in North Carolina, market-news service in Georgia, Alabama, Florida, and Texas, cotton-hosiery investigations, and citrus by-products investigations in western Texas.³⁷ Decreases were specified for cottonginning machinery studies, forest taxation and insurance investigations, and Dutch elm disease investigations. Although such expressions of Congressional opinion had no binding legal effect unless actually written into the law, the Department observed them carefully. There was a high ethical obligation of administrators to observe carefully and be guided by legislative interest.

The Department was committed to observe, in addition to the Congressional stipulations, its own detailed estimates as submitted to the Congress unless there was a substantial reason for changing its plans during the course of the year. As an illustration: if it was estimated that a certain amount in an item covering several activities would be used for timber sales work, the Forest Service was obliged not to use that money for grazing activities or for any other activity, unless changed conditions justified such a course and rendered it explainable. Again, although such estimates had no binding legal effect, there was a moral commitment to the Congress that the funds would be used in the designated way. The Department's attitude on this point was well illustrated by a statement made by A. G. Black at one of the hearings, when he was Chief of the Bureau of Agricultural Economics. In replying to a Congressman who expressed disapproval of the purpose for which certain funds were used, this official said that at the hearings on the item the previous year the Department had agreed to use the funds for that purpose. The Congressman then asked if the administration felt itself bound by such commitments. Mr. Black replied: "No. We don't feel that we are absolutely bound by it. But when a committee is told how funds are going to be committed, I think that an administrative agency is very unwise if it departs a great way from that statement unless it has extremely good reasons for so

⁸⁷ House Report No. 2130, 75th Cong., 3rd sess., 1938, pp. 16-22.

doing."³⁸ The objective of the Congress in specifying in detail the purposes for which appropriations were to be used would be defeated, of course, if the administrators were permitted to transfer the funds freely from one item to another. Stringent limitation on transfers between appropriations was, therefore, a corollary to itemized appropriations.³⁹

The Congress not only specified the purposes for which funds might be used but also legislated on specific objects of expenditure. It passed general legislation on nearly every object of expenditure and conferred upon some administrative agencies authority to enforce legal provisions about specific objects of expenditure, applicable to all agencies of the government. Thus, the Congress established a salary and wage scale in the Classification Act of 1923 as amended, provisions of which were enforced by the Civil Service Commission. Expenditures for supplies and equipment were governed by general laws on purchases and contracts, the most significant of which was Section 3709 of the Revised Statutes requiring competitive bidding for all purchases unless specifically exempted. An exemption applicable to the Department permitted purchases to be made in the open market without regard to provisions on competitive bidding if the amount involved was under fifty dollars.

In addition to the enactment of broad policies the Congress from time to time passed special restrictive measures applicable to all expenditures for particular objects. Expenditures could not be made for such objects unless specific legal exemption was obtained. Items within this class included: payment of salaries in excess of \$9,000 per annum, 40 contracts for personal services, 41 travel allowances in excess of those

³⁸U. S. Congress. House. Committee on Appropriations. 75th Cong., 3d sess., Hearings before the Subcommittee of . . . on the Agricultural Department Appropriation Bill for 1939, p. 1131.

The authority for the interchange of funds between appropriation items of a single bureau was found in the annual appropriation act. The House struck out this provision in the act pertaining to the fiscal year 1939. The Department requested the Senate to restore the provision by an amendment. The Senate restored it but cut the authorization to transfer from 10 per cent, as it previously had been, to 5 per cent. The following excerpt from the departmental justification of the transfer provision points out some uses to which such a provision can be put: "This provision has been carried in the Agricultural Bill for 28 years. . . . It is essential for forest fire suppression and to enable the Department to meet emergencies arising, especially during periods when Congress is not in session, such as when a fire occurs at one of the field stations, a water supply system breaks down, or some insect pest or disease breaks out that requires immediate attention. It has also been used to avoid the necessity for deficiency appropriations." U. S. Congress. Senate. Committee on Appropriations. 75th Cong., 3d sess., Hearings on Agricultural Department Appropriation Bill for 1939, p. 37.

40 42 Stat. L. 149; 43 Stat. L. 669; 45 Stat. L. 776; 46 Stat. L. 10030.

41 22 Stat. L. 255.

provided under the standard travel law, 42 payment of expenses for conventions, 43 participation in foreign conventions, 44 or membership in any society or association. 45 Exemption from these restrictive statutes might be authorized by a provision either in the appropriation item concerned or in an organic law. When such authorizations were written into the appropriation act they were often accompanied by a limitation on the amount that might be expended for the particular object concerned. The following terminology was typical: "... not to exceed \$— of the foregoing amounts may be expended for personal services in the District of Columbia." Such a provision was both an authorization to use funds for a particular object and a limitation on the amount that might be so used. In the terminology of the accountant, such provisions were "limitations." Special limitations applicable only to the appropriation of the particular item in which they appeared were frequently imposed on such other items as foreign travel, purchases of books, periodicals, and newspapers, printing and binding, and construction of buildings.

Special restrictions were frequently written into law to correct a specific abuse that had come to the attention of the Congress, but the restriction remained in the law long after the situation that gave rise to it had passed. Whatever the merit or desirability of any one restrictive measure, in their entirety such measures constituted an imposing mass of legal entanglements. Certainly much of the inflexibility, cumbersomeness, and expense of administration could be traced to this source.

Under the general provision of law governing the period during which appropriations were to be available for expenditure:⁴⁶

No specific or indefinite appropriation . . . in any regular annual appropriation act shall be construed to be permanent or available continuously without reference to a fiscal year . . . unless it is made in terms expressly providing that it shall continue available beyond the fiscal year for which the appropriation act in which it is contained makes provision.

Thus, unless otherwise provided, funds were available during one fiscal year only; and unexpended balances of appropriations expired at the end of the fiscal year, except that part necessary to pay expenses properly

^{42 44} Stat. L. 689; 47 Stat. L. 405.

^{43 49} Stat. L. 190.

⁴⁴ 37 Stat. L. 913. ⁴⁵ 37 Stat. L. 184, 854.

^{46 37} Stat. L. 487; 40 Stat. L. 1309.

incurred during the year or to fulfill contracts properly made within that year. ⁴⁷ An outstanding exception to this general rule was that applying to money appropriated for the construction of public buildings: such funds remained available until expended. ⁴⁸ Because of these provisions a special clause was inserted in the appropriation acts when special conditions necessitated that funds be made available other than during the regular period. Deficiency appropriations for unforeseen emergencies specified that funds should be immediately available. Funds for certain continuing projects were made available until expended regardless of the year.

In general, the administrator, therefore, must plan his program for one year at a time. This time limitation was not conducive to the best administrative practices. The work and needs of government were continuous. A prudent administrator would husband his resources until the time when they could most effectively be used; but because appropriations expired at the end of the fiscal year, he was often faced with a choice of using the funds before June 30 at something less than their maximum usefulness or of not having the funds to use at all. Efficiency would doubtless increase if appropriations remained available until expended or until specifically rescinded by law, or, alternatively if the fiscal period were lengthened to two years.

Presidential Controls

The principal formal control of expenditures exercised by the Chief Executive was through apportionment. Until 1933 the power of apportionment was exercised by the heads of departments and establishments. By Section 17 of Executive Order No. 6166, June 10, 1933, the Bureau of the Budget was made responsible for the apportionment of all appropriations. The apportionment device controlled the rate of expenditure in order to prevent deficiencies. At the beginning of the fiscal year each agency must submit to the Bureau of the Budget a statement showing the amount to be expended in each quarter of the year. A separate apportionment was submitted for each mainhead appropriation. The Department required, in addition, that each bureau submit for departmental purposes an apportionment of each subappropriation item. Any changes in the apportionment plan during the year must be approved in advance by the Director of the Budget. The spending units submitted a monthly statement of obligations to

^{47 16} Stat. L. 25.

^{48 18} Stat. L. 275.

the Bureau of the Budget for the purpose of providing it with the means of checking compliance with the apportionments.

Apportionments were also used to regulate reserves and to enforce savings. Amounts placed in reserve and thus not apportioned for obligation could not be expended without the express approval of the Director of the Budget. If urgently necessary the departments could appeal to the Director of the Budget for release of the reserve; if even more funds were necessary, supplemental estimates could be submitted which, if approved by the Bureau of the Budget and the President, would be submitted to the Congress with a request for a supplemental appropriation in a deficiency bill. The departmental Budget Officer supervised the apportionments for the Department and conducted the negotiations with the Bureau of the Budget.

Departmental Controls

The financial controls exercised at the departmental level were generally broad. The Department played a part in fixing the outer frameworks of control, but the detailed controls, in the main, necessarily rested in the bureaus. So large a measure of responsibility was placed on the bureaus for the management of their expenditures that they might appropriately be designated as the key operating units in fiscal affairs.

This decentralization of financial responsibilities existed for several reasons. Tradition was an important factor. The bureaus customarily had a high degree of autonomy; but necessity and conscious policy were perhaps more significant factors. Size and geographical scope operated to make difficult and undesirable the concentration of detailed fiscal controls in a central departmental office. A high degree of centralization in an agency as large and complex as the Department of Agriculture would create almost unimaginable cumbersomeness, ponderosity, and red tape; furthermore, it would probably cause a serious deterioration in the quality of departmental performance. For surely no single set of officials operating at the departmental level, no matter how capable, could pass so intelligently on the details of its many specialized programs as hundreds of specialists, each operating in his own zone of technical competence.

The basic control exercised by the Department over the bureau expenditures was of the amount of funds for each activity. It was exercised primarily in its relationship to the estimates and appropriations. The Department passed upon all project estimates when the budget

was being formulated and thus gave its approval to the work program of each bureau before the appropriation bill was passed, except, of course, for changes in the program resulting from Congressional changes in the estimates. The Department's contact with bureau estimates was almost continuous throughout the year, for the bureau plans were worked over while the Department's estimates were being formulated, when the Bureau of the Budget was reviewing the estimates, and twice more in Congress—once in the House and once in the Senate. Moreover, the programs of any particular year were reflected in the budget estimates during three successive years: during the year of formulation of the plans, the year of their execution, and the year after their completion. Since the processes of preparing estimates and of obtaining their approval were a continuous year-round job, the departmental Budget Officer would have an intimate knowledge of the work of the bureaus even if there were no other information than that developed in formulation and review of the estimates and in their presentation to the Bureau of the Budget and to the Congress. His influence on bureau financial affairs would be considerable even if this were the only point at which it were brought to bear. The Department, however, had other relationships with bureau expenditure programs, as the discussion that follows will indicate.

Post-Budget Departmental Controls

When appropriations were made to the Secretary rather than to the bureaus, such as those for the large action programs, the bureaus participating in the programs submitted estimates, or requests for allotments, for the funds required to carry out the portion of the program assigned to them by the Secretary. Allotment requests, supported by justification statements, similar to those accompanying the budget estimates to the Bureau of the Budget and to the Congress, were submitted to the Director of Finance shortly before the beginning of the fiscal year and were handled in much the same way as the budget estimates. The Director of Finance conferred with the bureaus and with his associates at the departmental level. Out of a collaborative process recommendations were formulated for presentation to the Secretary. They were signed by the bureau making the estimate, by the bureau primarily responsible for the program involved, by the Director of Finance, and by other departmental officials, such as the Land Use Coordinator and the Director of Marketing, when their functions were directly involved.

When allotments were made from the Special Research Fund a different procedure was observed. The purpose of this fund, which was also appropriated directly to the Secretary, was "to conduct research into laws and principles underlying agriculture in its broadest aspects" and to encourage such research by state agricultural institutions with which the Department collaborated. Responsibility for planning the work program and clearing projects under this fund was delegated to the Director of Research, an official on the departmental level.

Allotments for research projects were made to the bureaus as follows: Upon the approval of a research project by the Director of Research, the bureau concerned prepared allotment papers, which were submitted to the Director of Research for approval. They were forwarded to the Director of Finance and then to the Secretary for final action. With the completion of this procedure the funds were made available to the bureaus. The bureaus, subject to supervision by the Director of Research, assumed operating responsibility over the expenditure of funds from the special research appropriation just as they did over the funds appropriated directly to the bureaus by the Congress. They submitted monthly reports of obligations to the Director of Research to keep him informed of the rate at which the funds were being expended. Early in the final quarter of the fiscal year the status of all allotments was reviewed, and any necessary adjustments, either increases or decreases, were made. The allotment was changed by the same procedure used in making the original allotment. At the end of the year a report was submitted for each project; it included a budget estimate for the ensuing year. 49 When the estimate was approved, allotment was made for the continuance of the project during the ensuing

In accordance with the uniform-projects system, a "base obligation statement" for each project in the Department, whether financed by bureau or departmental appropriations, was submitted for the approval of the Director of Finance and the Secretary at the beginning of each fiscal year. This statement showed the amount allotted to each project and subproject, both for the current and the previous year, so that the

⁴⁰ The bureaus submitted, with this annual report, schedules of obligations (by objects of expenditure) for the year closing and estimated obligations for the new year and for the succeeding year. This material provided the Director of Research with the basic information from which budget estimates submitted to the Bureau of the Budget and the Congress were compiled. The Director appeared before these bodies in the regular hearings to justify the estimate for this fund.

status of the project as compared with the previous year might readily be seen. If any changes in the allotments amounting to more than 10 per cent were made during the course of the year, a separate form must be submitted for advance approval to the Director of Finance and to the Secretary. The Office of Budget and Finance also asked to be notified informally of important changes of lesser amounts in project allotments made during the year. At the end of the year an annual report was submitted for each project. All these documents were made part of the uniform-project records maintained in the Office of Budget and Finance.

The Department's Office of Budget and Finance served in a liaison capacity with several governmental agencies that had responsibilities for enforcing legislation governing expenditures for particular items. Under departmental regulations the Department enforced additional restrictions on the bureaus over objects of expenditure. For example, the Chief of Purchases, Sales and Traffic in the Office of Budget and Finance must approve items such as motion picture equipment, duplicating equipment, and automobiles.⁵⁰ A more important control exercised by this officer concerned contracts for services and supplies. His division executed all large contracts. The Secretary personally approved expenditures for foreign travel and for travel by persons not in the Department's employ. The Director of Personnel controlled expenses incurred by employees in attendance at conventions.⁵¹ The Standardized Government Travel Regulations required that travel on airplanes or extra-fare trains be approved by an official designated by the head of the department, if it involved costs in excess of the standard modes of travel. The Director of Finance performed this function for the Department of Agriculture.52

Skeleton Control Accounts

A set of skeleton control accounts was maintained in the Division of Accounts in the Office of Budget and Finance. The detailed operating accounts were maintained in the individual bureaus and offices. Over a period of many years the departmental accounts were developed around the disbursing function. A departmental disbursing officer performed this function prior to 1934, when disbursement for nearly the entire government was centralized in the Division of Disbursements

⁵⁰ Department Regulation No. 3348.

⁵¹Department Regulation No. 3342. ⁵²See Memorandum No. 767, reproduced at page 504.

of the Treasury Department. The disbursing officer, being responsible for the accuracy and legality of all payments, built up a system of summary and control accounts; it provided him with information on bureau financial operations and afforded him sufficient control over their expenditures to discharge his responsibilities and to protect himself against erroneous and illegal disbursements.

The transfer of the disbursing functions to the Division of Disbursements took the keystone out of the arch of that system of accounts, which was hurriedly and provisionally revised at the time of the transfer. After several years of experience it was realized that a complete overhauling was needed. In 1940 plans were being drawn by the Office of Budget and Finance in cooperation with the General Accounting Office for a revised system, which would provide for skeleton accounts and in which would be recorded, in summary form, data on appropriations, apportionments, allotments, obligations, and cash expenditures. Some of the entries in these accounts would be made from primary media, such as appropriation warrants and cash requisitions, which were documents requesting the Treasurer to place a certain amount of cash to the credit of the disbursing officer from which he might draw in payment of vouchers submitted by the Department. Other entries would be made from reports submitted by the bureau accounting offices. It was contemplated that when the system was fully developed, more useful current reports would be made available from the data recorded in these accounts for the information of the departmental officials than could previously be prepared.

Control by Docket Procedure

In addition to the allotment procedures for controlling the expenditures of the large lump-sum appropriations made directly to the Secretary, a docket procedure was developed which was both new and unique. By legal and departmental requirements the Secretary's approval must be obtained for various kinds of undertakings in the action programs. An export subsidy program or the food-stamp program of the Federal Surplus Commodities Corporation, a loan to a cooperative farming association by the F.S.A., and various A.A.A. and Commodity Credit Corporation programs must be approved in advance by the Secretary. The vehicle for securing such approval came to be known in the Department as a "docket." Dockets were comprehensive documents containing the necessary legal papers as well as explanations and justifications of the program. Before they were presented to

the Secretary, they were reviewed by the Solicitor for legal sufficiency, by the Director of Marketing or the Land Use Coordinator, if their functions were involved, and by the Office of Budget and Finance.

The Director of Finance had a special staff for docket-review work. If upon analysis no fault was found with a docket, it was initialed for the Director of Finance and was forwarded to the Secretary's Office. If, however, there was some question about it, the special staff might negotiate directly with officials of the agency concerned or inform the Director of Finance, who might conduct negotiations with the bureau or advise the Secretary's Office of his findings.

In 1940 the Director of Finance had broad plans for the docketreview staff. He hoped to recruit and develop a group of men with ability to analyze the broad policy and program implications as well as the strictly fiscal and procedural aspects of the dockets. Each staff member would be assigned to one category of the departmental programs, for example, one for land-use programs, one for credit and loan programs. He also contemplated that each member would assist in the analysis of budget estimates, the apportionments, allotments, and uniform-project reports (all of which involved broad policy considerations) for the programs in which he was specializing. The functions of these men would be, in a sense, parallel to those of the staff members in the Division of Estimates of the Bureau of the Budget, who were assigned to handle the estimates and apportionments of particular departments or agencies. The chief difficulty facing the Director of Finance in working out these plans was to find personnel able and willing to master administrative detail and competent to wrestle with broad policy issues as well.

Informal Relationships

An important relationship of the Office of Budget and Finance to bureau expenditures was exercised informally. Officials of this Office were available constantly for advice and consultation with bureau officials in charge of spending programs. In its liaison capacity this Office dealt with the General Accounting Office, with various branches of the Treasury Department, with the Bureau of the Budget, with Congressional appropriating committees. In addition, it served as a focal point through which many fiscal papers flowed from the Department's bureaus to other fiscal agencies and vice versa; this procedure provided further opportunity to keep in touch with the flow of work. The Office reviewed and revised much of the Secretary's correspondence with

Congressmen or the public at large on fiscal matters and thus had a source of information upon the basis of which to act when occasion demanded.

The Director of Finance was the departmental authority in the zone of fiscal procedures. Not only was he responsible for the enforcement of legal requirements and of fiscal regulations, but he also supplemented and implemented those requirements. The Office of Budget and Finance was also active in attempting to improve the quality of the bureau finance offices and to standardize their facilities and procedures. A staff of accountants, for example, in the Fiscal Management Division of the Office spent its entire time studying and surveying bureau finance offices for these purposes.

The Office of Budget and Finance conducted or participated in management studies of various kinds in order to promote economical and effective use of funds. For example, when, early in 1940, increased rates for telegraph services were prescribed, the Office, in cooperation with the Office of Plant and Operations, conducted a study of methods by which economies could be effected in telegraph expense in order to avoid the necessity of requesting supplemental appropriations. Procedures were worked out to maximize use of the most inexpensive telegraph services consistent with official needs, to make greater use of government telegraph facilities, and also to substitute air mail service for telegraph whenever possible. Considerable savings resulted from these changes. In this type of activity the Office was becoming increasingly active.

Bureau Controls

The Department dealt with project allotments only in terms of lump sums. Allotments for subprojects and for specific items of expenditure and detailed controls over expenditures were handled by the bureaus, whether the funds were from a presidential allotment, a departmental allotment, or a direct bureau appropriation. The bureaus maintained the detailed accounts and performed the other functions incident to day-to-day fiscal operations.

To illustrate methods of budget execution at the bureau level, the methods of one bureau will be described. The bureau selected administered varied programs—its work fell into the three broad categories of research, regulation, and service—and it did not have a regionalized field service. Each of the divisions directed its own field activities. This bureau had a business manager in charge of a division of administra-

tion, which provided fiscal, personnel, property, messenger, mail and files, and related services. The business manager was responsible directly to the bureau chief.

Two aspects of the appropriations to the bureau should be pointed out. First, regular appropriation items were numerous and detailed. There were twenty-eight items totaling about \$5,000,000. Second, the lines between divisions of the bureau corresponded rather closely to the lines between appropriation items; in many instances where there was an appropriation for a particular line of work, there was a separate division to conduct that work. Usually each division administered the funds of one or more appropriation items, which with few exceptions did not cross division lines. Thus, in effect, the amount appropriated for each item in the appropriation act determined the amount of money available for each division. The bureau, however, controlled the allotment of funds to the various projects within a division. But the action of the Congress played a part even at this level, for the reports of the appropriation committees often specified the projects for which an increase was to be used. Furthermore, the budget estimates for each project submitted to the Congress indicated how the bureau planned to allot its funds. If the Congress adopted the budget estimates without change and if nothing caused the bureau to change its plans, the project allotments closely paralleled the budget estimates. The chief required a detailed work program to be submitted to him by each project leader before making the funds available for expenditure.

After being notified of its allotments, each division was requested to submit an "operating budget," indicating in detail how the funds alloted to each project were to be expended; that is, how much was to be used for each subproject or work project within each project allotment and how much was to be spent for each major object of expenditure. The name, location, and salary of each permanent employee was shown, and a lump-sum figure was listed for the wages of temporary employees. The amount was listed of each letter of allotment (which authorized designated employees, heads of field offices particularly, to incur obligations for travel, rent, temporary clerk hire, and other specified items), with the name of the person to whom it was issued. There was an allotment for purchases, with large items listed separately showing their estimated cost and the time of year that the purchase would probably be made. There was also an allotment for leases, with information on the buildings or land to be leased, the lessor, and the amount of the rent. The chief also required a reserve to be set aside for each project to meet unforeseen needs or emergency conditions that might arise during the year. In the "operating budget" the reserve was listed as the unallotted balance. It could not be used unless specific

approval of the chief was obtained.

When the budgets as proposed by the division leaders had been approved by the chief, the data were entered on the accounting records. The expenditures were checked, as incurred during the year, by the accounting officers to see that the approved plans were being followed. Each payroll was checked, name by name, to see that it complied with the budget. Each voucher for the payment of rent or each purchase order for an item specifically listed in the budget was similarly checked. If changes in the personnel or lease allotments had to be made, the revisions were submitted for approval to the business manager. He then advised the accounting section to amend the records accordingly. Under certain conditions the divisions were permitted to make purchases on their own authority within the allotment for that purpose. Under other conditions the purchase orders must be approved by the business manager before the accountants were authorized to approve the vouchers. If savings in the salary allotment because of vacancies and similar situations occurred during the year, the amount was automatically transferred to the unallotted balance and could not thereafter be obligated for other purposes unless special central approval had been given. Transfers from one item to another must also be approved by the chief. The members of the accounting staff, then, were the watchdogs over expenditures and they insured that expenditures conformed to the plans approved by the chief. Whenever an item arose about which there was uncertainty, the matter was referred to the business manager for appropriate action. Each division leader was responsible for the expenditures under his allotments.

In earlier years allotments in the operating budget of this bureau were made by the quarter. This practice was discontinued, however, and in 1940 the allotments were set up for the entire year. The purpose of the quarterly rather than annual allotments had been to permit the administrator to control the timing of expenditures. The bureau felt that this control was of little value since its expenditures were necessarily spread throughout the year without this device. Nearly 85 per cent of the expenditures were for salaries of permanent full-time employees, which, of course, were distributed uniformly throughout the year. A large share of the remaining funds was expended for rent and large purchases, both of which were specified in the allotments.

Since each important lease or procurement transaction was handled by the business manager as it occurred, it was not necessary to establish special accounting controls for these items. The only other important items were miscellaneous procurements and travel. By watching current financial reports the business manager could observe the timing of such expenditures and could take corrective measures when it seemed that someone was spending his funds too liberally in the early part of the year. Thus, quarterly allotments did not add any significant control. The decision to abandon the plan seemed wise since its advantages did not compensate for the additional accounting burden involved.

The budgetary controls were, of course, supplemented by personal visits and inspections by the administrative staff. Monthly work reports were submitted to the chief by each division. On the basis of information revealed in the financial reports and records, in the work reports, or on the basis of personal contact, the administrators kept in touch with the needs of the job and could modify the financial plans if necessary at any time according to the procedures previously described. Once the plans were decided upon, the accounting system was relied upon to insure that financial transactions proceeded according to the plan.

NEED FOR IMPROVED BUDGETARY PRACTICES

The greatest problems of budgeting, as well as of other aspects of administration, in the Department arose out of the Department's functional complexity and sheer magnitude. Mr. Jump, its Director of Finance, remarked that the problem of administering the Department was the greatest civilian problem of management in the entire world, including both governmental and private enterprises. This magnitude is the first factor to be wrestled with by students who strive to understand its budgetary problems. It was also the first factor to be reckoned with by members of the Office of Budget and Finance, the Bureau of the Budget, and the Congressional appropriation committees. The methods employed in budgeting and the bases upon which its budget was considered must be adjusted to the Department's immense scope and involved nature. Practices fitting and necessary for smaller, less complex organizations—and for component agencies of the Department—were as much out of place at the departmental level as the managerial techniques of the corner grocery store for a nation-wide chain-store system.

Emphasis on the Program Side of Budgeting

The nature of the Department required decentralization of operating detail in order not only to expedite its business but also to free the time and energy of departmental officials for consideration of broad policy issues. Consequently, in the Office of Budget and Finance much greater emphasis was placed upon the program than upon the procedural or routine fiscal side of budgeting. Furthermore, the Department's budget involved policy issues to an unusual extent, because so large a percentage of its funds was for program outlays. When considering the estimates for parity payments to farmers or rehabilitation loans or export subsidy programs one was plunged into the broadest of social and economic issues.

Such factors as these underlay the attempts of the Office to recruit and train personnel capable of dealing with these policy issues and their administrative implications. The experience of the Office of Budget and Finance bears out strongly the thesis of Mr. Gaus and Mr. Wolcott that problems of administration can most fruitfully be studied in their subject-matter background. Hence, those persons engaged in the collegiate training of prospective administrators might well bear in mind that training in administrative techniques needs to be supplemented by training in the subject matter of the programs to be administered and in methods of analyzing the questions of policy involved in such programs.

Legislative Relationships

Under our tradition of the separation of powers legislative-administrative relationships are inadequate. The hearings on the annual appropriation bills were the only occasions when our administrators and legislators met regularly. It is significant that on these occasions the legislators wanted to deal with persons who were closely in touch with the programs being considered. It was not the President, the Bureau of the Budget, or departmental officials, but the bureau representatives who carried the brunt of justifying and explaining the estimates. Administrators and legislators seldom spoke the same language. One vital function of the Budget Officer was to aid in bridging the gap by interpreting technical programs to Congressmen.

Coupled with these problems was the difficulty of finding means of adequately informing Congressmen of departmental activities so that they could give comprehensive consideration to the estimates. Further, administration suffered from the comparative inaccessibility of the Congress, which undertook to legislate in detail; at times the inflexible details seriously hampered administration. The process of getting legislative relief in such a situation was cumbersome and laborious. These relationships were quite unlike those of a manager of a corporation and its board of directors: when a rule laid down by the board created unforeseen difficulties, the board was easily accessible, the manager could present his case, and adjustments could be quickly made.

The Burden of Budget Work

We have seen that the handling of the estimates was a continuous year-round job. An official of the Forest Service in commenting on this phase of the budget problem has said: 53

Another aspect of the financial problem is the inordinate and increasing amount of time which must be devoted to appropriation matters. The volume of work involved in preparing budget estimates, supporting these with concise and convincing statements, preparing material for hearings, and justifying recommendations to a chain of officials and committees, can hardly be appreciated by anyone who has not had actual contact with the process.

There seemed to be little prospect of greatly simplifying current procedures or of greatly reducing the amount of time required in budget-estimating if the traditional practice of making appropriations on an annual basis was continued. A proposal that Washington budget officials frequently put forward was that the appropriations be put on a biennial rather than an annual basis. It was believed that such a change would not only provide much-needed relief for hard-pressed administrators and Congressmen but would result in improved quality of budget transactions. Administrative officials having more time to devote to the considerations of each set of estimates under such a plan could be expected to review the proposals more carefully and to present the supporting data much more satisfactorily.

Coordination of Budgets, Accounts, and Reports

Ideally, administrative accounting, budgeting, fiscal control, and financial reporting should be so carefully coordinated that the various functions gear. There were few places, however, in the federal government where this ideal had been realized. In 1940 interesting developments were occurring in the Department toward coordination of these

⁵³ Quoted in Research—A National Resource, op. cit., p. 44.

aspects of financial administration. The Estimates Division in the Bureau of the Budget was investigating the possibilities of a "budget digest," containing background information on all activities of the Department for each appropriation item. The digest would have information on the permanent legislative provisions, the objectives, methods, accomplishments, and the financial history of the activities under each item. The purpose of this digest would be to provide a readily available source of information to the budget examiners handling the Department's estimates and apportionments. This proposed digest was similar to the records of the uniform-projects system of the Department; it was possible that the two systems might be coordinated in such a way that the Bureau of the Budget could use the information contained in the project files and the annual project reports.

It was contemplated that when the budget digest was completely developed, it would eliminate the necessity for submitting annually with the budget estimates the background descriptive material of the activities conducted under each appropriation. The Bureau of the Budget was also conducting studies in the Department to lay the groundwork for a possible reporting system designed to keep the Bureau of the Budget and the President currently informed of the progress and accomplishments of governmental activities. Efforts were being made to coordinate the activities reports with the digest in such a way that those submitted by the various agencies would supply the information necessary to keep the budget up to date. These activity reports would also be made a part of the uniform-project records. Progress was also being made within the Department toward coordinating the accounting system with the uniform-projects system wherever feasible. The accounts were kept in some bureaus on a project basis in order that the accounting records would currently reflect the financial status of each project and would provide meaningful historical data.

Better Methods of Presenting Budget Data

One basic purpose of the entire budgetary process is to have administrators submit recommendations and information on the activities and the financial requirements of the administrative agencies for the consideration of the Congress when determining the amounts to be appropriated. Much of the effectiveness of the process depends upon the type of information presented and upon the methods of presentation. The Budget of the United States submitted to the Congress contained a mass of information. It was about the size of a Sears Roebuck

catalog. In addition, the written information supplied by the Department to the committees and that presented orally at the hearings filled nearly two thousand pages in printed hearings. The information was adequate in terms of quantity; but not sufficient attention was given to analyzing and summarizing it. In many instances so much detail was presented that the main issues were almost completely lost. Many persons felt that data on objects of expenditure were much too detailed. particularly on obligations for personal services. Until 1940 the schedules showed not only the number of grade-two junior clerks under each appropriation item but also the breakdown of this number with a list of the number of junior clerk-stenographers, junior clerk-typists, junior operators. In custodial service some estimates went so far as to show the number of watchmen, skilled laborers, tractor operators, janitors, heavy-duty truck drivers, terracer operators, guards, grader operators, messengers, and road men. Certainly that was much more detail in a budget of several billion dollars than either the examiners of the Bureau of the Budget or the Congressmen had time to consider. The instructions of the Bureau of the Budget in 1940 for the 1942 estimates, it is interesting to note, called for less detail of this character than in previous years.

The most basic criticism of the methods of presenting the data was that the total amounts of direct appropriations were not sufficiently analyzed. It was generally assumed that whatever amount was appropriated would result in equivalent expenditure from the Treasury, but in actuality the expenditures were frequently considerably less than the amount of the appropriation. At a time when so much emphasis was being placed upon the amount of government expenditures, the size of the deficit, and the proximity to the debt limit, it was particularly important that data on expenditures be presented so as to reflect the true picture.

Inadequate attention was given to the asset side of the ledger. Appropriations were too often considered only in terms of outlays. The fact was frequently overlooked that many activities produced revenues and were partially or wholly self-supporting. Such revenues were usually deposited in the Treasury and funds for running the agency's expenses were separately appropriated. The net cost to the government of administering such activities was not the amount appropriated, but rather the amount of the appropriations less the amount of the receipts. Increases for self-supporting activities were at times denied apparently because the increase would raise the amount of the

direct appropriations from the Treasury, even though such expenditures would be offset at a later date in whole or in part by revenues earned by such activity. Similar difficulties arose over appropriations for loan activities and for capital investments. The amount of the loan and the amount of the investment were treated each year as current operating expenses, although perhaps the total amount of the funds appropriated for loans would eventually be returned to the Treasury. While such funds represented an outlay from the Treasury in one year, they would be offset by repayments in future years. An encouraging development in this zone occurred in 1940 when the Congress, in lieu of making direct appropriations for rural electrification, farm tenancy, and other types of recoverable loans, authorized the agencies concerned to borrow specified amounts from the R.F.C. As the loans were repaid, the R.F.C. would be reimbursed with interest.

There was great need for data on unit costs, work loads, and tangible accomplishments in order that the reviewers of the estimates might have more adequate basis for their decisions. Even where quantitative data could not be given, the issues needed to be presented objectively, analytically, and in specific terms. In this area students in colleges and universities can contribute to the development of standards, yardsticks, methods of quantitative measurement, and objective criteria.

With these brief and sketchy observations about problems and possible avenues of improvement in budgetary practice as it was in 1940, this study ends. Measured against theoretical ideals, current practices fell far short of perfection. But viewed in the light of the magnitude and complexity of the actual problems confronting the operating budget officials and the time and pressures under which they worked, the level of development in budgeting was worthy of considerable commendation. And with the ever increasing interest in, and effort devoted toward, the further improvement of budgetary methods, evidenced by administrators and legislators, as well as by educators and researchers, there was every reason to expect constant progression in the future such as there was after the federal budgetary system was instituted in 1921.

FIGURE 1. FLOW CHART OF ESTIMATES AND APPROPRIATIONS

A. Preparation of Bureau and Departmental Estimates

AENT	SECRETARY		10 Makes preliminary decision on general budget policy.	15 Makes final decision on content and amount of estimates.	
DEPARTMENT-	BUDGET OFFICE	Calls for burean estimates and issues instructions for their preparation.	Compiles and analyzes bureau estimates. 9 Reviews estimates, makes preliminary recommendations on general budget policy.	Sets tentative total on estimates of each bureau, confers with bureau chiefs, revises tentative totals. 13 Confers with bureaus on revised estimates. 14 Makes recommendations to the Secretary on content and amount of Department estimates. 14	Issues instructions for preparation of Department estimates in form prescribed by Bureau of Budget.
	Снівя	2 Calls for division estimates. 5 Confers with division leaders and budget officer and decides content and amount of esti- mates. 7	Submits estimates to Dept. Budget Office.	Revises detailed estimates to conform to totals approved by budget committee.	18 Submits estimates to Department.
TIVEGILE	BUDGET OFFICE	4 Compiles, analyzes, and prepares recommendations. 6 Prepares bureau estimates.			17 Prepares bureau's portion of Dept. estimates.
	Division	3 Prepares di vision estimates.			

a Undertaken with the departmental budget committee.

FIGURE 1. FLOW CHART OF ESTIMATES AND APPROPRIATIONS (continued)

A. Preparation of Bureau and Departmental Estimates (continued)

T.V.	SECRETARY	20 Submits to Bureau of the Budget.		THE PRESIDENT					26 Confers with Director	of Budget and decides on content and amou of estimates.			33	Submits Budger 10
DEPARTMENT	Budger Office	ompiles es- ces Secretary's 17 estimates.	Sudget Estimates REAU OF BUDGET	DIRECTOR OF BUDGET					25 Makes recommendations to the President.	27 Notifies Dept. of	President's action.		31	Sudget Documents.
		Coordi timate: letter 1	B. Review of Department Estimates and Preparation of Budget Estimates	BOARD OF REVIEW					24 Reviews and makes recommendations to Director of Budget					
	Снівя		Department Estimate	DIVISION OF ESTIMATES	L1 Analyzes Dept. esti- mates.	22	Conducts hearings at which Dept. and bureau officials explain and jus- tify estimates.	23	Makes recommendations to Board of Review on content and amount of estimates.					
BUREAU-	BUDGET OFFICE		ENT-	BUDGET OFFICER						78	Notifies bureaus of President's action.	30	Reviews and submits to Bureau of Budget.)
	Division		DEPARTM DEPARTM	Bureau Officials							29	ubmits them to Dept.	3udget Officer.	

Submits Budget to Congress.

FIGURE 1. FLOW CHART OF ESTIMATES AND APPROPRIATIONS (continued)

C. Congressional Consideration of Budget and Passage of Appropriation Bill

	SENATE	33B	Receives budget from President and refers it to Committee on Appropriations	40	Considers bills passed by House, passes on Senate	committee amendments and those offered	from floor, passes bill.	42B Considers con-	upon adoption completes its ac-	tion on the bill.
CENTATE	COMMITTEE ON APPROPRIATIONS			39 Considers amend-	ments to House bill proposed by subcommittee	and reports bill to Senate with amendments.				
	SUBCOMMITTEE ON ON APPROPRIATIONS			38 Holds hearings usually brief, on	House, considers amendments pro-	or by others, and reports to full committee.				
1	CONFERENCE COMMITTEE*					41	Meets to adjust differences be-	and Senate bills (Senate amend-	ments) and makes recommendations for final action	to be taken by both Houses.
	House	33A	Receives Budget from President, and refers it to Committee on Appropriations.	57 Passes bill usually in form adopted by Com-	whole.			42A Considers con-	ference report and upon adop- tion completes	its action on the bill.
	RESENTATIVES—— COMMITTEE OF THE WHOLE HOUSE		36 Debates and considers bill in de-	tail and reports bill to House with or without amendments and recommendations	ioi passage.					
			35 Considers sub- committee draft and reports bill	to House.						
	SUBCOMMITTEE ON APPROPRIATIONS		34 Conducts extensive hearings on estimates and frames appropri-	ation blit.						

Nors. After passage by both Houses the enrolled bill is sent to the White House. Before being signed by President, the enrolled bill is referred to the Bureau of the Budget and the Dept. for recommendation; with approval of the President, the bill becomes a law.
*Usually consists of five members from the appropriations subcommittee of each House.

FIGURE 2. BUREAU ESTIMATES FOR FISCAL YEAR, 1935 (fictitious)

DETAILED TABULATION

Bureau: Plant Industry				
Appropriations and Projects GENERAL ADMINISTRATIVE EXPENSES	1933	RIATIONS— 1934	Bureau Estimate 1935	Increase or Decrease
General administration and business service* * * *		\$189,242	\$189,242	
Forage Crops and Diseases		===		
Alfalfa investigations:				
Alfalfa cultural and production investiga-				
tions	\$25,045	\$25,045	\$25,045	
Alfalfa breeding and improvement investigations	13,926	13,926	43.026	\$30,000 (1)
Alfalfa disease investigations	17,221	22,850		-10,000 (2)
Total Alfalfa Investigations		\$61,821		\$20,000
Clover investigations:				
Clover cultural and production investi-				
gations	\$10,035	\$12,035	\$12,035	
gations	12,465	17,465		-10,000 (3)
Clover disease investigations	6,548	6,548	21,548	15,000 (4)
Total, Clover Investigations	\$29,048	\$36,048	\$41,048	\$5,000
Total, Forage Crops and Diseases	\$290,000	\$302,193	\$327,193	\$25,000
PLANT NUTRITION				
Plant nutrition investigations*	\$ 14,524	(c)\$16,024	(c)\$26,024	\$10,000 (5)
m				200.000
Total, Bureau of Plant Industry	\$4,48 3,2 06	\$4,561,760	\$4,596,760	\$35,000

Figure 3. Bureau Estimates for Fiscal Year, 1935 (fictitious)

TABULATION SUMMARY

Bureau: Plant Industry				
	—Appro	PRIATIONS	BUREAU ESTIMATE	INCREASE OR
Appropriation Items	1933	1934	1935	DECREASE
General Administrative Expenses	\$189,242	\$189,242	\$189,242	
* * *				
Forage Crops and Diseases	290,000	302,193	327,193	\$25,000
* * *				
Plant Nutrition	14,524	16,024	26,024	10,000
* * *	•	•	·	
Total, Bureau of Plant Industry\$	54,483,206	\$4,561,760	\$4,596,760	\$35,000
_				

Figure 4. Explanation of Changes in Language (fictitious)

Appropriation: Forage Crops and Diseases

The following changes are recommended in the language of this item: For the investigation and improvement of forage crops, including grasses, alfalfas, clovers, soybeans, lespedezas, vetches, cowpeas, field peas, and miscellaneous legumes; for the investigation of green-manure crops and cover crops; for investigations looking to the improvement of pastures; and for the investigation of forage-crop diseases and methods of control, \$000.

Two changes are proposed in the language of this item. The first strikes out the authority for the "purchase, propagation, testing, and distribution of new and rare seeds." The funds for the distribution of new and rare seeds were eliminated in 1932, but the wording of the

item has, through inadvertence, continued unchanged.

The other change constitutes an entire revision or restatement of the item, in order to describe more clearly and more accurately the character of the forage-crop investigations, without in any way broadening the scope of the work already under way.

Figure 5. Digest of Estimates, Fiscal Year, 1935 (fictitious)

Bureau: Plant Industry

·	
Items	Bureau Estimates*
Base: Agricultural Appropriation Act, 1934	\$4,561,760
Increases and Decreases in Working Funds	
Forage Crops and Diseases	
For testing of strains of alfalfa produced in different	
States with a view to securing superior sorts peculiarly adapted to specific environmental factors, such as winter	
hardiness, disease resistance, etc., and for development of	
seed supplies of desirable types	+30,000
A reduction in the allotment of alfalfa disease investiga-	
tions due to completion of study of alfalfa leaf-spot	-10,000
A reduction in funds for clover breeding and improve-	
ment, due to dropping of a nonrecurring item for special equipment at Chillicothe, (Ohio) field station	-10,000
For inaugurating a study of "flower blight" of white	
clover, which is especially serious in the States of X, Y,	
and Z	+15,000
Total Increase, Forage Crops and Diseases	+25,000
* * *	
Total Increase	+35,000
Total, Estimates, 1935	\$4,596,760

^{*}Two other columns, not shown in this figure, were included. In these Department and Bureau of the Budget estimates could be entered.

FIGURE 6.

Salaries and Expenses, Bureau of Agricultural Technology (fictitious)

	- PCT		OBLIC	GATIONS-		
		IMATE 1942		IMATE 1941		TUAL 1940
AGRICULTURAL MACHINERY AND EQUIPMENT INVESTIGATIONS BY OBJECTS		Average Salary				
PERSONAL SERVICES, DEPARTMENTAL						
PROFESSIONAL SERVICE Grade 4. Mechanical Engineer CLERICAL, ADMINISTRATIVE, AND FISCAL SERVICE	1	\$4,000	1	\$3,800	1	\$3,800
Grade 2. Junior clerk	2 1	1,440 1,440	2 1	1,440 1,440	1	1,440
Total Permanent, Departmental Deduct lapses		48,640 500	23	44,240 1,112	23	44,340 1,616
NET PERMANENT, DEPARTMENTAL		\$48,140	_	\$43,128		\$42,624
PERSONAL SERVICES, FIELD						
Professional Service Grade 3. Associate Mechanical Engineer	1	\$3,200	1	\$3,200	_	_
Total Permanent, Field Deduct lapses	163	324,060 6,700	145	290,831 5,462	144	\$288,914
Net Permanent, Field		330,760 45,000		296,293 42,315		295,401 31,418
ALL PERSONAL SERVICES, FIELD		\$375,760		\$338,608		\$326,819
01 Personal Services (net) Department and Field		\$423,900		\$381,736		\$369,443
OTHER OBLIGATIONS						
02 Supplies and Materials		\$8,642 11,426 3,100		\$7,240 10,840 186		\$7,186 10,125 750
Total Other ObligationsGrand Total Obligations				450,000 \$450,000		59,213 \$427,440
Estimated savings and unobligated balance Total Estimate or Appropriation		\$500,000		\$450,000		1,216 \$428,656
BY PROJECTS OR FUNCTIO	NS					
Farm Products Processing Investigat Crop Prod. Machinery Investigation Pest Control Machinery Investigation	rs	\$107,193 97,156 52,500		\$55,000 97,156 82,500		\$55,000 87,165 82,500
TOTAL ESTIMATE OR APPROPRIATION		. \$500,000		\$450,000)	\$428,656

Figure 7. Sample Budget Justification for a Research Project (fictitious)

PROJECT 1. Farm Products Processing Investigations.

Actual or estimated obligations......\$55,000 \$55,000 \$107,193 +\$52,193

An increase of \$52,193 is requested to investigate XYZ-nut grinding conditions in the semi-arid regions of West Texas, Oklahoma, New Mexico and Arizona, as follows:

OBJECTIVE: To devise and develop methods and equipment to over-

come adverse grinding conditions in these states.

The Problem: (1) Electric storms and other atmospheric conditions in this region cause static electricity which frequently slows up and at times completely halts the grinding process for costly periods of three and four days, and under extreme conditions for as long as two or three weeks. (2) Inadequate methods of cleaning the nuts before grinding further slows up the grinding process.

SIGNIFICANCE: This area produces 2,000,000 gallons of XYZ oil per year, valued at about \$25,000,000, almost half of the total produced in the U. S., and over a quarter of a million people derive their principal support from the growing, harvesting, grinding and distribution thereof. Of the 1900 grinders in this region affected by these conditions,

about 550 are cooperatives (producer owned).

For best results, the nuts must be ground to extract the oil as soon as possible after harvesting, preferably within 60 days. A recent survey of representative grinders in this region revealed that grinding time was frequently 50 per cent longer than in the Southeastern region, and that shutdowns often occurred when market prices were up and the

farmers were most anxious to dispose of their crop.

Because of these difficulties, costs of grinding are higher, and the farmer must accept a lower return in order to compete in the national and world market. Grinding rates are 30c per hundred pounds in the semi-arid regions as compared with 20c in other regions. Since approximately 1100 pounds of XYZ nuts are required to produce a gallon of oil, a saving of \$1.10 per gallon could be effected if these difficulties were overcome and grinding rates reduced to the 20c figure. Complete solution of the problem would thus result in a saving of \$2,200,000 annually to the XYZ nut producers of this area on grinding costs. Individual attempts to cope with the problem have proven unsuccessful and there is a constantly increased demand on the Department of Agriculture from producers, cooperative and commercial grinders, to extend the Department's research facilities into this area.

PLAN OF WORK: A separate laboratory must be established, equipped and staffed at a point in the region itself, on land to be donated to the government; the studies cannot be made at the existing Georgia laboratory as the conditions unique to the southwest cannot be reproduced. The new laboratory will be operated jointly with and under the

control of the Georgia laboratory, in order that full advantage may be taken of the experience and accomplishments of the oils and grinding specialists working there. It is expected, for example, that some of the cleaning methods developed in Georgia can be adapted, with certain changes, to the extremely rough conditions in which the nuts are harvested in this region. The experiments will be made with the cooperation and assistance of the producers and operators of grinding establishments in the region. It is expected that this project will take approximately six years to complete, but the duration cannot be predicted with any great degree of accuracy until after the studies are well under way.

FINANCIAL REQUIREMENTS: The studies to be undertaken are of a highly technical nature requiring both skilled engineers and precision machinists. The cost of operating the laboratory after the first year will be approximately \$35,000 per year in order to have sufficient personnel on a full time basis, and sufficient experimental materials and

equipment.

The increase of \$52,193 would be applied as follows:

Personnel, Field		
Position	Salary	TIME
1 P-4 Mechanical Engineer (in		
charge)	\$2,850	(9 mos.)
2 P-2 Asst. Mechanical Engineer	2,600	(6 mos.)
1 P-1 Jr. Mech. Engineer	1,000	(6 mos.)
1 Sp-8 Chief Eng	1,300	(6 mos.)
2 Sp-7 Prin. Lab. Mech	1,533	(4 mos.)
1 Cu-7 Senior Mech	930	(6 mos.)
4 Laborers	640	(2 mos.)
2 CAF-2 Jr. Clerk Steno	1,440	(6 mos.)
·	\$12,293	
	r,-33	
OTHER EXPENSES		
Ітем		Amount
Supplies and materials		. \$2,000
Communication		
Travel and subsistence		. 1,500
Equipment		
Power, steam equipment and	i	
grinding outfit	. \$14,000)
Shop equipment	. 1,500	0
Office equipment	. 80	0 - 0
1 1		16,300
Structures and parts (Grinding Labo	ratory).	
cornection and function (Granding Zane		\$39,900
		ψ, 900

FIGURE 8.

SAMPLE BUDGET JUSTIFICATION BASED ON WORK LOAD ANALYSIS (fictitious)

United States Salt Inspection Act

Project 1. Field inspection of salt processors.

Actual or estimated obliga-	1940	1941	1942	DEVIATION 1942 FROM 1941
			_	
tions	\$85,000	\$85,000	\$98,460	+\$13,460

An increase of \$13,460 is requested to provide for inspection of 553 new salt processing plants.

OBJECTIVE: To inspect all salt processing establishments three times per year in order to insure purity and accuracy of weight in accordance

with the terms of the U. S. Salt Inspection Act of 1934.

THE PROBLEM AND ITS SIGNIFICANCE: (1) Experiments have been made to determine the frequency of examinations required, and a rate of three per year has been set as a minimum. Two inspections per year resulted in a 35 per cent increase in violations, whereas 4 inspections per year resulted in only 5½ per cent decrease in violations and is not economically practical. If this 35 per cent increase in violations were permitted to exist, the funds for prosecuting the violations would have to be increased by 35 per cent, or approximately \$40,000. Thus, it is far more economical to maintain the standard of 3 inspections per year.

(2) The number of salt processors has been increasing steadily during the past four years; the estimated figures are based on current reports of the Bureau of the Census of salt factories in the process of construction

or organization:

FISCAL YEAR	PROCESSORS	INSPECTIONS
1939	1,982	5,946
1940	2,158	6,474
1941	2,659	7,977ª
1942	3,212	9,636ª

a Estimated.

PLAN OF WORK: Under the Salt Inspection Act, salt packages for the retail market is inspected for purity and accuracy of weight claimed on the container. Field examiners make "spot" inspections of each processing establishment three times per year at times unannounced to the processor, and with the requested increase, inspections will be continued at this rate. The inspection consists of testing a representative sample of the salt for purity, and weighing by individual packages 1/10 of the output of that day.

REVENUES: A fee of \$1 is charged for each inspection made, and the proceeds covered into miscellaneous receipts. For the fiscal year 1941, approximately \$7,977 will be collected in fees. If the requested increase of \$13,460 for 1942 is granted, the fees resulting from the work of the additional examiners will be approximately \$1,600, and the total fees

collected about \$9,600.

Financial Requirements: The time required for one inspection varies with its size and location, but the average rate until this year has been 325 inspections per man-year. With the perfection of more rapid weighing techniques, production has stepped up to 400 per man-year during fiscal year 1941, and our 20 inspectors will be able to handle the work load of 7,977 inspections. With a work load of 9,636 inspections at 400 per man-year in fiscal year 1942, 24 inspectors will be required, an addition of 4. Although the increased work load will not reach a peak on July 1, 1941, the new men will be hired for the whole year to allow for necessary training.

The increase of \$13,460 will be applied as follows:

Personnel, Field	
Positions	SALARY
4 CAF-5 Examiners	\$8,000
.5 CAF-2 Clerk	720
	\$8,720
Other Expenses	
ITEMS	AMOUNT
Supplies and materials	\$ 50
Travel expenses	
4 men, 200 days at \$4 per diem\$3,200	
4 men, 200 days at \$4 per diem\$3,200 Cost of operating 2 cars (1 car to 2 men) 240	3,440
Repairs and alterations	50
Equipment (2 passenger cars at \$600)	1,200
	\$4,740

DOCUMENTS AND NOTES

- APPENDIX B. Documents on Departmental Organization and on Relations with Land Grant Colleges and with State Extension Services
- Appendix C. Documents on the General Staff and Auxiliary Services
- APPENDIX D. Documents on Standards
- APPENDIX E. Notes on Washington and the Field



Appendix B. Documents on Departmental Organization and on Relations with Land Grant Colleges and with State Extension Services

JOINT STATEMENT BY THE ASSOCIATION OF LAND GRANT COLLEGES AND UNIVERSITIES AND THE DEPARTMENT OF AGRICULTURE ON BUILDING AGRICULTURAL LAND USE PROGRAMS

This statement is the Mt. Weather Agreement, made July 8, 1938, at Mt. Weather, Virginia. See pages 157-59 in text.

Grant Colleges and Universities wish to perpetuate and strengthen the harmonious and mutually helpful relations that have long existed between them.

1. The relationships in the field of research and extension have been defined in memoranda and established by precedents. They are clearly

understood and mutually satisfactory.

2. New national programs which include elements in addition to research and extension provide payments to farmers on the fulfillment of specific conditions. They present an increased need for planning and action by farm people. They also place a responsibility upon the Secretary of Agriculture for the administration of the programs.

3. The Department feels the need for reasonably uniform procedures whereby farmers may take responsibility for the development of sound land-use plans, programs, and policies for the dual purpose of (a) correlating current action programs to achieve stability of farm income and farm resources, and (b) helping determine and guide the longer-time public efforts toward these ends.

In order to function effectively and democratically in the national field, these procedures must provide for analysis, planning, and program building beginning in the communities and extending then to county,

State, and national levels.

4. The Land Grant Colleges have had many years of experience in aiding and stimulating farm people to build agricultural or rural programs in communities, counties, areas, States, and regions, and in the

formulation of agricultural policies at these various levels. This experience has also included program building by commodity groups, type-of-farming groups, and others. These broad efforts to help farm people build comprehensive programs for rural improvement should be intensified.

5. The problem now faced by the Department can best be met by developing special and reasonably uniform methods for land-use planning and program building within the framework of the program-building procedures already established. This can be done as follows:

A Cooperative Plan for Building Land Use Programs and Policies and Having Such Programs Apply to Varying Local Conditions

- 1. Each State Extension Service shall set up in each agricultural county an Agricultural Land Use Planning Committee as a Sub-Committee of its present County Agricultural Program Building Committee.
- 2. While the principal county committee consists wholly of farm people, with the county extension agent usually serving as non-voting secretary, the dual requirement of planning and correlation by the land use sub-committee calls for some participation by official personnel. Therefore, the sub-committee might well consist of at least 10 farm people, a few forest land owners in counties where forestry is a problem, the county agent, at least one member of the AAA administrative committee, the rural rehabilitation supervisor, and any other State or Federal official in the county who has responsibility for the administration of agricultural land-use programs—such as the Soil Conservation Service Project Supervisor. The farmer-membership shall constitute a substantial majority, and a farmer shall be chairman of the sub-committee. The county agent may be executive officer or secretary.
- 3. Either through the main county committee or directly, as best meets the situation in each State, the Agricultural Land Use Planning Sub-Committee shall correlate on a county basis, the land use plans, programs, and policies developed by community and neighborhood planning committees. Where such community committees do not now exist, they should be established as the cornerstone of the whole planning organization.
- 4. As a sub-committee of any existing State Agricultural Program Committee, or independently if such a Committee does not now exist, there shall be established in each State an Agricultural Land Use Program or Policy Committee. The Director of Extension shall be Chair-

man and the membership shall include the Director of the State Experiment Station, the Chairman of the AAA State Committee, SCS State Coordinator, FSA State Director, the Land Use Planning Specialist of the BAE, a representative of the Forest Service, any other State or Federal official having responsibility for the management of land-use programs in the State, and a number of farm people, usually one from each type-of-farming area within the State. Preferably, the farm men and women should also be members of one of the county agricultural land-use sub-committees.

This statement, dealing only with a few main points, purposely omits details that obviously must be settled promptly. But this can best be done by individual consultation between each Land Grant College and the Department. Each State will wish to have procedures which suit its own situation and experience. This is not to say, however, that essential principles should be sacrificed. Thus, in all States farmer-thinking should dominate the work of the county sub-committees; there should be sufficient uniformity in methods of community planning groups to permit correlation of community plans on a county basis; similarly there must be sufficient uniformity to permit correlation of county material on a State basis, and State material on a national basis. In the interest of program coordination, the official representation as outlined for the county and State land-use sub-committees should be uniformly observed.

It should be emphasized that if this system of coordinated land use planning is to endure, farmers must see tangible results from their work. Officials in charge of each land-use program must assume the responsibility of consulting the State Sub-Committee, receiving its suggestions and criticisms before launching a program in the State, and then explaining definitely what portions of its recommendations can be followed and why others cannot. In each county, there must be a direct responsibility upon each official to have the program in his charge carry out, to the greatest extent feasible, the objectives determined by the community and county planning groups.

MEMORANDUM DESCRIBING DEPARTMENTAL ORGANIZATION

In this memorandum issued October 6, 1938, the Secretary informs the chiefs of bureaus and offices of the adoption and the background of the Mt. Weather Agreement and of the administrative changes in the department made to effectuate the agreement.

During the past five and a half years, the Legislative and Executive branches of the Government have been putting forth enormous and often unprecedented efforts to provide for Agriculture a stable income and a balanced relationship with the rest of our economy. They have also sought to promote the conservation of our basic resources, greater security of tenure, and efficient production, distribution, and utilization of agricultural products.

The Congressional enactments that make up this comprehensive program were not, of course, developed and passed simultaneously. Moreover, some have had to be amended in the light of experience, court decisions, and changing conditions. At present the pattern of Federal legislation for a well-rounded agricultural program includes, in addition to the body of legislation existing when this Administration took office:

- (1) The adjustment and conservation programs under the Soil Conservation and Domestic Allotment Act of 1936, the Sugar Act of 1937, and Agricultural Adjustment Act of 1938, all administered by the Agricultural Adjustment Administration;
- (2) The crop insurance program under the Federal Crop Insurance Act of 1938, administered by the Federal Crop Insurance Corporation with the assistance of the Agricultural Adjustment Administration:
- (3) The marketing agreements program under the Act of 1937 and the surplus commodities program under the Acts of 1937 and 1938, administered by the Agricultural Adjustment Administration and the Federal Surplus Commodities Corporation;
- (4) The tenancy and rehabilitation programs, administered by the Farm Security Administration, under the Bankhead-Jones Farm Tenant Act of 1937;
- (5) The Land Utilization program, including the purchase and development of submarginal lands, administered by the Bureau of Agricultural Economics, under the Bankhead-Jones Farm Tenant Act of 1937;

- (6) The soil conservation program under the Act of 1935, administered by the Soil Conservation Service;
- (7) The flood control program under the Flood Control Acts of 1936, 1937, and 1938, administered in the planning phase by the Bureau of Agricultural Economics, Forest Service, and Soil Conservation Service, and in the action phase by the Forest Service and Soil Conservation Service;
- (8) The farm forestry program under the Norris-Doxey Act of 1937, but not yet underway due to lack of funds;
- (9) The water facilities program under the Pope-Jones Act of 1937, administered by the Soil Conservation Service with the assistance of the Farm Security Administration and the Bureau of Agricultural Economics;
- (10) The enlarged program of fundamental research under the Bankhead-Jones Act of 1935, and an intensified utilization-research program at four regional laboratories under Section 202 of the A.A.A. Act of 1938;
- (11) Increased forestry and wildlife activities financed by emergency funds and promoted still further by the CCC activities.

In inaugurating these programs, the Congress defined their scope, basic policies, and objectives, and indicated in a general way the methods of administration. At the same time, the Congress recognized the administrative problem involved and therefore directed the Secretary to use the resources of the Department in the most practical and workable way to attain the ends sought. Some of the Acts placed the full responsibility for administration upon the Secretary, others directed the Secretary to use existing agencies for administration, and still others permitted the Secretary to distribute functions among the various agencies of the Department.

All this has placed upon me an obligation to develop within the Department the most efficient and direct methods of administration.

In making numerous administrative changes during the past five and a half years, I have tried to keep three principles in mind: (1) Farmers must participate in forming and executing their own programs. (2) Since each program is part of a comprehensive agricultural land-use program, we must provide for continuing coordination within the Department. (3) We must seek administrative alignments, under responsible chiefs and administrators, which bring together types of programs that permit the personnel involved to develop judgment and foresight and efficient methods of prosecuting the work, and that avoid duplication and overlapping.

Some changes in harmony with these principles have been made every year since 1933. Our experience now enables us to take more comprehensive steps in effecting improved organization and operation.

(1) The Place of Farmers in the Departmental Structure

For a quarter of a century the State Extension Services and the Department have fostered local planning by farmers. With the beginning of the present action programs, the Department sought to have farmer-participation not only in the administration of the programs themselves but also in the necessary planning work back of the programs. The Agricultural Adjustment Administration and the Land Grant Colleges have given increased attention to this since 1935.

Two years ago the Association of Land Grant Colleges appointed a committee on Federal-State Relations to work with a similar committee here in the Department and on July 8, 1938, the Association and the Department came to a significant and far-reaching agreement. They declared their intention to cooperate in establishing democratic and cooperative procedures and institutions that would give farm people an effective voice in formulating, correlating, and localizing public agricultural programs.

The joint statement of July 8 by the Association and the Department pointed out that the new procedures and institutions must provide for analysis, planning, and program building, beginning in the communities and extending then to county, State, and national levels.

Nearly all the States, under the July 8 memorandum, are now forming community agricultural planning groups, county agricultural landuse planning committees, and State Agricultural Advisory Councils to concentrate on the essential job of land-use planning and program building.

The results of community planning are to be integrated on a county basis by the County Committee. The results of the county planning are to be integrated on a State basis by the State Agricultural Advisory Council. To date, we have not set up within the Department any means or procedures for integrating the results of State and local planning on a type-of-farming and national basis, as a guide to the administration of public farm programs. We are now prepared to establish such procedures.

There are three other important considerations in the field of planning national and local agricultural programs which the recent experience of this Department has served to crystallize. It has become clear,

for one thing, that in providing for the necessary general planning, we must beware of wholly divorcing that planning from actual administration of specific programs. A further consideration is the essential unity of the "farm problem." The problems of erosion, of tenancy, prices, farm income, flood control, submarginal lands, crop insurance, rehabilitation, all impinge on one another. Action programs cannot deal with one segment out of relation to the other parts of the whole problem. Out on the watershed and on the farm, where our real job lies, we are dealing with a complex of interrelated factors.

Thirdly, just as planning is dependent, for its soundness, on having farmers participate fully, so is it also dependent on having the Department and the Colleges continue to develop land classifications, surveys, comprehensive land-use plans, and programs through their staffs of experts. Farmers need the help that specialists can provide, and specialists must draw on the experience and judgments of farmers. The need, therefore, is to provide for integrating and unifying the planning of

both groups as a guide to all public agricultural programs.

Within the Department, each action agency at present engages in two kinds of planning—general planning to determine the major adjustments needed to promote a healthy agriculture, and the detailed planning which is an inherent part of administrative operations. The difficulty is that the judgments formed in connection with, say, erosion control work for a given area may not be in accord with those formed in connection with a crop adjustment program; or the general objectives established for a submarginal land readjustment program may not be wholly in accord with those developed for flood control. The problem, hence, is to provide for formulation of our broad objectives cooperatively, with all agencies agreeing upon the basic facts, accepting common standards, deciding upon priorities, formulating commonly acceptable judgments. This cannot be realized without some machinery for bringing the right people together at the right time and for considering the right questions.

We need, therefore, to establish departmental machinery which will enable local and State planning to reach the Secretary in a truly significant and usable form, and which will, at the same time, integrate the general planning and program forming activities within the Department; the combined results to guide all action programs of the Depart-

ment.

Hence, I am arranging for the Bureau of Agricultural Economics to serve as a general agricultural program planning and economic research service for the Secretary and for the Department as a whole.

Because of certain statutory provisions, this planning organization must for the time being be made up of two parts, but to provide for unified operation and results, one official is placed in charge of both. There is being transferred to this service the general program planning staffs now attached to the several agencies in the Department administering action programs. In this manner unified departmental planning which encompasses erosion control, rehabilitation, price stability, marketing, production adjustment, security of farm tenure, forest, wildlife, and soil conservation, can be provided for the nation, for watersheds, for typeof-farming regions, and for appropriate areas.

For the reasons already indicated, this over-all planning for the Department will not be conducted independently of the operating agencies. Just as the county and State planning machinery already provides for cooperative consideration by all agencies having a responsibility in the agricultural land-use field, so, too, here in the Department the Bureau of Agricultural Economics will have definite cooperative relationships with the Agricultural Adjustment Administration, the Soil Conservation Service, the Forest Service, the Bureau of Biological Survey, the Farm Security Administration, and other action agencies. To make this more concrete, let us consider an example in the land-use field which could, of course, be duplicated in the marketing and other fields: In developing a general land-use plan for a given watershed, the immediate purpose of which is the inauguration of a flood-control program, the Bureau of Agricultural Economics will have the active cooperation, in the field and in Washington, of the personnel of the Soil Conservation Service and the Forest Service, because those agencies will subsequently handle the action and detail-planning phases of flood-control work within the watershed. Furthermore, the Bureau of Agricultural Economics, assisted by the personnel of the Agricultural Adjustment Administration, will simultaneously consider the relationship of the watershed plan for flood control to the Agricultural Conservation Program, which, of course, influences the use of land in the watershed.

The general planning and programming by the Bureau will not, of course, take over such detailed planning as is inherently a part of administration and operations. But this detailed planning should remain within the framework of objectives and procedures formulated in the Department's general plans and should be performed in accordance with standards and criteria developed by the Bureau.

I am gratified to announce that Mr. Howard R. Tolley will have charge of this over-all agricultural program planning work. I know

few men who could fill this exacting position so acceptably to the trained scientists and economists, to the practical program administrators, to the people in the Land Grant Colleges, and to farmers.

(2) Coordination of Plans, Policies, and Programs

To provide to the heads of action agencies full opportunity to review the general plans and programs developed under the leadership of the Bureau of Agricultural Economics, I am establishing an Agricultural Program Board which will scrutinize all plans especially in the light of administrative feasibility and practicability. The head of the Office of Land Use Coordination will serve as the Chairman, and the membership of the Board will include the Chief of the Bureau of Agricultural Economics, the heads of the action agencies, the Director of Extension, and others.

Here, too, our experience since 1933 is a good guide. More than three years ago I established a Land Policy Committee in recognition of the fact that the activities of no one of the land-use agencies of the Department could be considered apart from those of other agencies. We soon found, for example, that controlling wind erosion can be aided materially by the purchase and development of submarginal lands, by rehabilitation loans based upon farm management plans drawn to fit the specific physical and economic conditions in the dust bowl, and by an adjustment and conservation program which emphasizes conservation practices and retirement of "restoration" lands to grass.

The Land Policy Committee accomplished much, but it could not devote sufficient time to the problem. At the request of all the agencies, therefore, I established in 1937 the Office of Land Use Coordination to give continuous attention to systematic methods of coordination. This Office has been aided by a Liaison Board consisting of one representative of each land-use agency. In the Southern Great Plains, it has also been assisted by a regional coordinator who works with all agencies in the area in assisting the programs to meet the specific conditions there. A similar official was recently designated for the Northern Great Plains.

The establishment of the Agricultural Program Board, which will review all plans and programs before they are approved by the Secretary, rather than attempting to cope with all problems of coordination after programs are underway, probably makes the Liaison Board unnecessary. It does not, however, make less necessary the administrative coordinating work of the Office of Land Use Coordination. Mr. M. S.

Eisenhower will continue as Land Use Coordinator and will serve as Chairman of the Agricultural Program Board.

(3) Consolidations of Related Functions

Other provisions of the administrative memoranda which will be issued soon are designed to effect such a regrouping of functions as will facilitate efficient administration.

I have been impressed by the fact that growth and change in the Department are an almost continuous process. In every year from 1921 to 1933 there was an important structural change in the Department. Since then changes have been still more frequent. The Soil Conservation Service was transferred to this Department from the Department of the Interior in 1935 in order to associate it with the other research and action agencies dealing with the conservational use of our renewable resources. The Resettlement Administration was brought into the Department for the same reason in 1936. In 1937, this agency underwent substantial reorganization and was renamed the Farm Security Administration.

Many other changes have been made. Those now being put into effect are designed substantially to complete the task of putting the Department in a position to administer its new work as efficiently as it has conducted research and educational activities.

I am consolidating some parts of the marketing work now in seven separate bureaus and am providing for the systematic coordination of all phases of marketing research, service, regulatory and related activities. This is essential so that the Department may give the same intensive, continuous, and comprehensive attention to the marketing field that other branches give to production and conservation.

- (a) I am bringing together under single supervision the marketing research, service, and regulatory activities of the Bureau of Agricultural Economics, including the Division of Transportation of Farm Products and the Division of Crop and Livestock Estimates; administration of the Packers and Stockyards Act, administration of the Federal Seed Act, and administration of the Dairy Exports Act. Mr. C. W. Kitchen, Assistant Chief of the Bureau of Agricultural Economics, is placed in charge of these activities.
- (b) The Federal Surplus Commodities Corporation is being given bureau status, and Mr. J. W. Tapp will be in charge. There is also being assigned to Mr. Tapp for administration the marketing and marketing agreements programs of the A.A.A., including the surplus diversion activities under Section 32.

(c) A closely allied activity is that under the Sugar Act of 1937. This is also being placed on a bureau basis, with Mr. Joshua Bernhardt in

charge.

(d) I am appointing Dr. A. G. Black Director of Marketing and Regulatory Work, who will act in behalf of the Secretary in coordinating and unifying the five fields of marketing activities—surplus commodities; marketing agreements; commodity exchanges; sugar; and marketing research, service, and regulatory work.

The foregoing consolidations and transfers in the planning and marketing work more clearly delineate the function of the Agricultural Adjustment Administration. Its major responsibility will continue to be the administration of the national conservation and adjustment program, buttressed by an ever-normal granary through commodity loans, marketing quotas, and parity payments when authorized. Mr. R. M. Evans is being appointed Administrator of the Agricultural Adjustment Administration.

Several important changes are being made in the administration of the physical land-use programs. The purpose is to consolidate in a single agency all erosion-control, flood-control, and related activities that involve actual physical work on individual farms, watersheds, and other areas. The operating phases of three such programs—erosion control, water facilities, and the farm part of flood control—are now administered by the Soil Conservation Service. By assigning also to the Soil Conservation Service for administration the action phase of the land-utilization program (including retirement and development of submarginal land) and of the farm forestry program, we make it possible for the farmer to work with a single representative of five closely related land-use programs entrusted to the Department by Congress. Further, coordination of the physical land-use adjustment and conservation work with that of the Agricultural Adjustment Administration is simplified.

In addition to its adjustment, conservation, and marketing programs, the Department is vitally concerned with discovering and developing new uses for agricultural products and by-products. In this field the Department has achieved an enviable record as one of the world's outstanding research institutions. Initially modest appropriations have been increased in recent years, and the last Congress provided for a most significant expansion in this work by authorizing establishment of four regional laboratories, one in each major farm producing area.

At these regional laboratories the Department will greatly expand its research into new scientific, chemical, technical, and industrial uses for farm commodities and their products and by-products. It will also seek to develop new and extended markets and outlets for these farm commodities and their by-products. Much of the work heretofore done has been carried on in the Bureau of Chemistry and Soils. I am assigning the principal operating functions of the four regional laboratories to Dr. Henry G. Knight, Chief of the Bureau of Chemistry and Soils. Doctor Knight is also being placed in charge of the task of integrating the work of the Bureau of Chemistry and Soils (except soils research as discussed elsewhere in this memorandum) with the work of the Bureau of Agricultural Engineering. Thus closely related activities in the field of agricultural technology and engineering will be given unified direction.

The work of other research bureaus will be involved to some extent at the regional research laboratories—especially the commodity bureaus. Dr. J. T. Jardine, Director of Research, will be responsible for the development and continuous coordination of a departmental research program for the laboratories as authorized by the Act. In meeting this responsibility he will be assisted by a small council that will include Doctor Knight as operating head of the laboratories, and the chiefs of those bureaus whose research is directly involved.

It is apparent that in the action field we need more than ever before dependable information about soils and their response to various types of management. In many respects, our conservation programs are soils programs. To unify and develop fundamental soils research and to associate it with related plant research, the work of the Divisions of Soil Survey and of Soil Chemistry and Physics and of the unit conducting research relative to plant mineral constituents derived from soils of the Bureau of Chemistry and Soils are being integrated with the work of the Division of Soil Fertility and Soil Microbiology in the Bureau of Plant Industry under an Assistant Chief of that Bureau. This Assistant Chief of the Bureau will have the duty not only of supervising and coordinating basic soils research within the Bureau, but also of assisting in harmonizing such research with the soil-management studies in the Soil Conservation Service and other agencies. It is especially important that an effective relationship exist between the soil survey and conservation surveys; there are also other research activities of the Department which are closely related to soils and plant research. Therefore, I am asking the Director of Research to continue his study of methods of integrating such related research to the work now being unified.

I wish to say a word about central administration. An underlying purpose of the changes announced in this memorandum is to bring

to bear more fully on each of our programs the full range of the resources of the Department. I have continuously endeavored to provide for appropriate centralization of policy, but for the greatest possible decentralization of operations. Our real job is on the farms and in the homes, but if all our efforts are to harmonize, then the staff offices of the Secretary, such as the Office of Land Use Coordination, the Personnel Office, the Office of Budget and Finance, must be strengthened and supported. I am requesting these offices to place themselves in a position to provide the services our present situation demands: this applies especially to the Office of Budget and Finance, which henceforth will have increased responsibilities, and to the Office of Information which must arrange for the coordination of all publication, press, radio, and related work.

Conclusion

Within the next few days I shall provide for the various administrative changes here discussed, by beginning the issuance of appropriate administrative orders.

No administrative structure, however carefully devised, can itself guarantee good administration. That can be assured only by the capacity and devotion of the people involved. I hope and believe that all departmental personnel, in Washington and in the field, in administrative, scientific, or any other capacities, will cooperate in making these structural changes contribute materially toward the Department's meeting the responsibilities assigned to it by the Congress.

Sincerely yours,

H. A. WALLACE Secretary

ADMINISTRATIVE ORDERS AFFECTING THE BUREAU OF AGRICULTURAL ECONOMICS

Memorandum No. 782, issued October 6, 1938, makes the B.A.E. a planning and research agency. Memorandum No. 783, issued October 6, 1938, transfers the operating functions of the B.A.E. elsewhere.

Memorandum No. 782

I. (a) The Bureau of Agricultural Economics, subject to the general supervision and direction of the Secretary of Agriculture, shall have charge, in addition to the functions heretofore assigned to it, of the following activities within the Department:

(1) The formulation of plans and programs in connection with the administration of: (a) Title III of the Bankhead-Jones Farm Tenant Act, (b) The Water Facilities Act, (c) The Flood Control Acts, as amended, (d) Sections 1 to 6, inclusive, of the Soil Conservation and Domestic Allotment Act, and (e) The Sugar Act of 1937.

(2) The formulation of all other plans and programs relating to land use, including land-use plans and programs that involve forestry, wild-life conservation, farm tenancy, rural rehabilitation, or the use of

other agricultural or grazing lands.

(3) The formulation of plans and programs relating to the marketing service and marketing regulatory work of the Department.

- (4) The integration of the economic research work of the Department with the formulation of the plans and programs referred to in this section.
- (5) Research studies having as their objectives the formulation of plans and basic adjustments in rates, charges, tariffs, and practices relating to the transportation of farm products under Section 201 of the Agricultural Adjustment Act of 1938.*
- (b) The Bureau of Agricultural Economics and the Agricultural Adjustment Administration, the Soil Conservation Service, the Forest Service, the Bureau of Biological Survey, and the Farm Security Administration, are directed to effect the transfer to the Bureau of Agricultural Economics of the employees of the other agencies who have been assigned to the performance of work in connection with the formulation of the plans and programs enumerated in subsection (a) of this section, these transfers to be effected as rapidly as the Bureau of Agricultural Economics shall find convenient.
- 2. The Program Planning Division of the Agricultural Adjustment Administration shall be responsible, and shall report directly, to the Secretary of Agriculture.
- 3. (a) Mr. Howard R. Tolley is designated Chief of the Bureau of Agricultural Economics.
- (b) In addition to Mr. Tolley's designation as Chief of the Bureau of Agricultural Economics, Mr. Tolley is designated Associate Administrator of the Agricultural Adjustment Administration, and is placed in charge of the Program Planning Division of that Administration.
- 4. All previous memoranda are superseded to the extent that they conflict with the provisions of this memorandum.

^{*} Added by Amendment 1, issued December 5, 1938.

5. This memorandum shall be effective on and after October 16, 1938.

H. A. WALLACE
Secretary of Agriculture

Memorandum No. 783

1. Mr. C. W. Kitchen, as personal representative of the Secretary of Agriculture, is hereby designated to have charge, subject to the general supervision and direction of the Secretary of Agriculture, of the following activities within the Department.

(1) All marketing research, service and regulatory activities in connection with cotton, dairy products, poultry products, fruits, vegetables, grain, livestock, meats, wool, hay, feed and seed, warehousing, tobacco, transportation, and market news, being administered by the Bureau of Agricultural Economics under the provisions of The Tobacco Inspection Act, The Perishable Agricultural Commodities Act, The Standard Container Act of 1916, The Standard Container Act of 1928, The Produce Agency Act, The Peanut Stocks and Standards Act, The Tobacco Stocks and Standards Act, The Cotton Grade and Staple Statistics Act, The Cotton Futures Act, The Cotton Standards Act, The Grain Standards Act, The Warehouse Act, The Wool Standards Act, The Export Apples and Pears Act, Section 201 of the Agricultural Adjustment Act of 1938, all as amended, and the Department of Agriculture Appropriation Act, 1939.

(2) The programs and activities of the Division of Crop and Live-

stock Estimates of the Bureau of Agricultural Economics.

(3) The programs undertaken by the Department pursuant to the provisions of (a) The Packers and Stockyards Act, as amended, being administered by the Bureau of Animal Industry, (b) The Federal Seed Act, being administered by the Bureau of Plant Industry, and (c) The Dairy Products for Export Act, being administered by the Bureau of Dairy Industry.

2. (a) The Marketing and Marketing Agreements Division of the Agricultural Adjustment Administration shall be responsible and shall

report directly to the Secretary of Agriculture.

(b) Mr. Jesse W. Tapp, President of the Federal Surplus Commodities Corporation, in addition to his functions as President of that Corporation, is hereby designated Associate Administrator of the Agricultural Adjustment Administration, and is placed in charge of the Division of Marketing and Marketing Agreements of the Agricultural Adjustment Administration.

- 3. (a) There is hereby established the Sugar Administration. The Sugar Administration is authorized and directed to administer the provisions of the Sugar Act of 1937. Mr. Joshua Bernhardt is appointed Administrator of the Sugar Administration.
- (b) The personnel and functions of the Sugar Section of the Agricultural Adjustment Administration are transferred to the Sugar Administration.
- 4. Dr. A. G. Black is hereby designated to serve as Director of Marketing and Regulatory Work, and in that capacity shall be responsible for coordinating the work of the Federal Surplus Commodities Corporation, the Commodity Exchange Administration, the Marketing and Marketing Agreements Division of the Agricultural Adjustment Administration, the Sugar Administration, and the work of Mr. C. W. Kitchen in his performance of the functions assigned to him in section 1 of this memorandum.
- 5. The provisions of rules and regulations heretofore issued by the Secretary of Agriculture under the provisions of any of the statutes referred to in this memorandum shall continue in force and effect until the further order of the Secretary. There shall be submitted for the consideration of the Secretary, as soon as possible, such recommended revisions of said rules and regulations as may be necessary to avoid any inconsistency between the provisions of said rules and regulations and the provisions of this memorandum.
- 6. All previous memoranda are superseded to the extent that they conflict with the provisions of this memorandum.
 - 7. This memorandum shall be effective on and after October 16, 1938.

 H. A. Wallace
 Secretary of Agriculture

SOIL CONSERVATION SERVICE AND FIELD ACTION

Memorandum No. 785, issued October 6, 1938, in effect made the Soil Conservation Service the sole action agency dealing directly with farmers about farm forestry. Since the order aroused objections from the Forest Service, the Secretary, in an effort to clear up misunderstandings, issued a second memorandum on January 31, 1939, to the chiefs of the S.C.S., the Forest Service, the B.A.E., the Extension Service, and ten Offices of Land Use Coordination. This second memorandum reflects the not infrequent necessity of interpreting administrative orders.

Memorandum No. 785

I. (a) The Soil Conservation Service is authorized and directed to administer the programs undertaken by the Department pursuant to the provisions of Title III of the Bankhead-Jones Farm Tenant Act.

- (b) The personnel and functions of the Land Acquisition, Land Development, and Land Utilization Project Organization Divisions of the Bureau of Agricultural Economics, are transferred to the Soil Conservation Service. The Soil Conservation Service and the Bureau of Agricultural Economics are directed to effect the transfer to the Soil Conservation Service of such other employees of the Bureau of Agricultural Economics as have been assigned to the performance of work in connection with the programs referred to in subsection (a) of this section, these transfers to be effected as rapidly as the Soil Conservation Service shall find convenient.
- 2. (a) The Soil Conservation Service is authorized and directed to administer the programs undertaken by the Department pursuant to the provisions of the Cooperative Farm Forestry Act.
- (b) The Soil Conservation Service and the Forest Service are directed to effect the transfer to the Soil Conservation Service of the employees of the Forest Service who have been assigned to the performance of work in connection with the programs referred to in subsection (a) of this section, these transfers to be effected as rapidly as the Soil Conservation Service shall find convenient.
- 3. The provisions of rules and regulations heretofore issued by the Secretary of Agriculture under the provisions of Title III, and related sections under Title IV, of the Bankhead-Jones Farm Tenant Act shall

continue in force and effect until the further order of the Secretary. There shall be submitted for the consideration of the Secretary, as soon as possible, such recommended revisions of said rules and regulations as may be necessary to avoid any inconsistency between the provisions of said rules and regulations and the provisions of this memorandum.

4. All previous memoranda are superseded to the extent that they conflict with the provisions of this memorandum.

5. This memorandum shall be effective on and after October 16, 1938.

H. A. Wallace

Secretary of Agriculture

Interpretation of Memorandum No. 785

In order to clear up any possible misunderstanding of that part of the reorganization of the Department of Agriculture which affects farm forestry (Memorandum No. 785, dated October 6, 1938), the following instructions are issued for the guidance of the appropriate bureaus and offices.

Memorandum No. 785 included the following statement: "The Soil Conservation Service is authorized and directed to administer the programs undertaken by the Department pursuant to the provisions of the Cooperative Farm Forestry Act." This action was one of the changes needed in order to consolidate in a single agency responsibility for all erosion control, flood control, water facility, and related activities that involve actual physical work on farm lands.

The Department now has three agencies engaged in physical operations on land—Forest Service, Bureau of Biological Survey, and Soil Conservation Service. Each has fairly complete administrative jurisdiction in given areas; at the same time, each depends on many other branches of the Department for certain subject matter or services. Thus the Forest Service looks to the Bureau of Biological Survey and Bureau of Plant Industry for assistance, as does the Soil Conservation Service. In short, "territorial jurisdiction" does not imply duplication in research or related subject-matter fields.

Similarly, assignments to Soil Conservation Service of programs for the promotion of forestry on farms does not authorize, and should not cause, the development of a second forestry agency, any more than the management and conservation of wildlife on the forest lands by the Forest Service implies the development of a duplicate wildlife agency in the Department.

The Soil Conservation Service is accordingly given responsibility for

the farm forestry program as one of the phases of the Department's action program on farm lands. Farm forestry is practiced on "farm woodland." The following definitions of "farm woodland" and "non-farm forest land" may help make clear the physical limits of responsibility of the Soil Conservation Service and of the Forest Service:

"Farm woodland" is interpreted as any forest or potential forest land on farms or operated in connection with farms where the economy of the entire farm holding is based primarily on production of other than forest crops. (Hereafter referred to in general as farm forestry, in contrast to forest farming and forestry.)

"Non-farm forest land" is interpreted as any forest or potential forest land in holdings whose economy is based primarily on forest land and the products therefrom. (This therefore includes both forestry and forest farming.)

The Soil Conservation Service, cooperating especially with the Forest Service and the Extension Service, is to have direction of all farm forestry programs financed under the authority of the Cooperative Farm Forestry Act. This includes the action program on farms in cooperation with appropriate agencies in the States, and the coordination of all phases of a farm forestry program; the educational phases of the program will be conducted in cooperation with and through the Extension Service; the research program will be conducted cooperatively, as provided in the section below.

The Soil Conservation Service will annually prepare the estimates for appropriations under the Cooperative Farm Forestry Act, after consultation with the Farm Forestry Committee hereinafter established. It will represent the Department in all contacts affecting farm forestry.

The Forest Service will continue to be the Federal subject-matter authority in forestry and will continue to have responsibility for the administration of the national forestry program, including any forest farming program, as it applies to all non-farm forest lands. It is of course necessary that the Forest Service be recognized as the technical authority in the Department responsible for guidance and leadership in the forestry programs of the nation. Therefore, the Soil Conservation Service should make use not only of the experience and technical guidance of the Forest Service in the execution of a farm forestry program, but also of its facilities in a fully cooperative effort.

The Soil Conservation Service will cooperate with the Forest Service in determining allocations of funds to State forestry agencies for the production and distribution of nursery stock which may be provided in appropriations under the Cooperative Farm Forestry Act, and such allocations, when determined, shall be made to the State agencies through the facilities of the Forest Service. This is necessary inasmuch as a portion of the money which may be available to States for the production and distribution of nursery stock is normally provided under the Clark-McNary Law administered by the Forest Service.

The Forest Service will have responsibility for conducting forestry research, and will cooperate with the Soil Conservation Service in the development of plans for such research work as may be carried out

under the farm forestry program.

Farm forestry research will, of course, involve the principles of farm management as well as of silviculture. Therefore, whether a specific research project should be conducted under the leadership of the Forest Service or the Soil Conservation Service, or cooperatively, can be determined only on a project basis; these determinations shall be made cooperatively by the two agencies. Further, there will need to be cooperative arrangements with other agencies, including the Bureau of Agricultural Economics and the State Experiment Stations.

The Forest Service is now managing the Prairie States Forestry Project which is recognized as part of the action program in farm forestry. This project is at present financed from emergency funds; it should be limited to the territory upon which the project is now being operated, the boundaries of which should be jointly defined by the Forest Service and the Soil Conservation Service. Since this project is in reality a part of the farm forestry program of the Department it is important that the policies followed by the Forest Service in the administration of this project be consistent with the general farm forestry program for the nation and that it should be developed in the light of the needs of other land use programs in this area.

The Extension Service will carry out an educational program with such money as may be allocated for this purpose and will conduct such a program in accordance with the general plan developed for the promotion of farm forestry. In order to secure full coordination in the educational features of the farm forestry work the Extension Service, in the expenditure of money in this field, from whatever source, will be guided by the provisions of the coordinated farm forestry program. Allocation of funds for educational work shall be made by the Soil Conservation Service in cooperation with the Extension Service, and funds allocated to the State Extension Services shall be handled through the facilities of the Extension Service.

The Bureau of Agricultural Economics will, in its general planning work for agriculture, always consider the place of forestry in the farm economy, and the Soil Conservation Service will manage the farm forestry program in such a way as to be wholly in harmony with the general land-use plans developed cooperatively by the Bureau of Agricultural Economics.

Secretary's Office. This memorandum delegates the primary responsibility for leadership in promoting farm forestry under the Cooperative Farm Forestry Act to the Soil Conservation Service. But the program, to be most successful, requires cooperative action by several agencies within the Department. This means, of course, that there must be general agreement on objectives and on the methods of attaining the objectives. To promote cooperative action and to aid in keeping the farm forestry program harmonized with other land-use programs of the Department, but without diminishing the responsibility of the Soil Conservation Service in the administration of work under the Cooperative Farm Forestry Act, there is hereby established a Farm Forestry Committee. The Forest Service, the Soil Conservation Service, the Extension Service, the Bureau of Agricultural Economics, and the Office of Land Use Coordination shall each designate one member to serve on this Committee, and the representative of the Office of Land Use Coordination shall serve as Chairman. This Committee's functions shall not extend beyond the task of promoting cooperative and harmonious action by the agencies most concerned with farm forestry (listed in this memorandum); giving attention to policy questions which require action or consultation in the Office of the Secretary; and annually correlating estimates for the various types of work that might be undertaken under the Cooperative Farm Forestry Act. H. A. WALLACE

Secretary

ESTABLISHMENT OF THE AGRICULTURAL PROGRAM BOARD

Memorandum No. 786, issued October 6, 1938, is the administrative order establishing the Agricultural Program Board. It is a good example of the method of establishing a department-wide coordinating agency. See page 311 in the text.

1. (a) There is established in the Office of the Secretary, Department of Agriculture, the Agricultural Program Board. The following shall

be ex officio members of the Board: The Director of Research, the Director of Extension, the Director of Information, the Director of Marketing and Regulatory Work, the Solicitor, the Chief of the Bureau of Agricultural Economics, the Administrator of the Agricultural Adjustment Administration, the Associate Administrator of the Agricultural Adjustment Administration in charge of the Division of Marketing and Marketing Agreements of that Administration, the Chief of the Forest Service, the Chief of the Soil Conservation Service, the Chief of the Bureau of Biological Survey, the Administrator of the Farm Security Administration, the Chief of the Bureau of Public Roads, the Manager of the Federal Crop Insurance Corporation, and the Administrator of the Sugar Administration. The following shall be members of the Board until the further order of the Secretary: Paul H. Appleby, W. A. Jump, C. W. Kitchen.

- (b) It shall be the function of the Board: (1) to review, evaluate, and make recommendations to the Secretary of Agriculture on the plans and programs developed by the Bureau of Agricultural Economics and the Program Planning Division of the Agricultural Adjustment Administration, in the light of [a] the interests of farmers and the general public, [b] administrative feasibility and practicability, and [c] the over-all needs of the Department. (2) To survey constantly the land use activities of the Department, to judge them as to their soundness and effectiveness, and to make recommendations to the Secretary of Agriculture thereon from time to time.
- (c) The Coordinator, Office of Land Use Coordination, shall be the Chairman of the Agricultural Program Board and its Executive Officer. The personnel of the Office of Land Use Coordination shall continue, as heretofore, to assist the Coordinator in the exercise of the functions assigned to him, and shall, in addition thereto, assist the Coordinator in the exercise of the functions assigned to him in this memorandum. The provisions of Secretary's Memorandum No. 725 of July 12, 1937, shall continue in force and effect until the further order of the Secretary.
 - 2. This memorandum shall be effective on and after October 16, 1938.

 H. A. Wallace
 Secretary of Agriculture

OFFICE OF LAND USE COORDINATION

Memorandum No. 814, issued April 6, 1939, relates to a staff agency set up to coordinate the land-use activities of various bureaus within the Department and of the Department and other governmental agencies. See pages 155 and 309 in the text.

- I. It is the purpose of this memorandum to redefine the functions of the Office of Land Use Coordination.
- II. It shall be the function and responsibility of the Office of Land Use Coordination to:
- (1) Represent the Secretary in effecting, and in providing continuity for, coordination between the land-use programs of the Department and the work of other Departments and agencies of the Federal Government. Wherever the work of a given agency of the Department is specifically involved in efforts toward such interdepartmental coordination, the Office of Land Use Coordination will secure the cooperation of such agency in conducting the necessary negotiations.

(2) Represent the Secretary in effecting administrative coordination within the Department of all land-use activities, including:

- (a) Coordinating currently the land-use programs and policies of the Department: (1) Promoting an efficient degree of cooperation across bureau lines as between separate programs, such as rehabilitation and soil conservation, and (2) Coordinating the several parts of a single program which are managed by different agencies, such as are involved in the Farm Forestry program and the operational phase of the Flood Control program;
- (b) Cooperating with the heads of the operating agencies in bringing administrative operations, and the detailed planning essential thereto, in harmony with the general plans prepared and approved in accordance with the departmental procedures established by Memorandum No. 782, dated October 6, 1938;
- (c) Cooperating with the Director of Research and the Director of Extension in harmonizing the research, extension, and operational phases of the Department's land use programs;
 - (d) Clearing and coordinating proposals for land purchase.
- (3) Review, coordinate, and, wherever necessary, approve for the Secretary all survey work relating to land use, and, wherever necessary, initiate needed surveys; establish uniform standards for such surveys;

maintain a system of advance clearance of surveys, to avoid duplication and to provide for meeting the needs of all agencies of the Department insofar as practicable; assist the Bureau of Agricultural Economics in obtaining such surveys and data as it may need for its general planning work.

- (4) Make a continuous study, from the point of view of administrative policy and procedure, of Federal and pertinent State legislation relating to land use activities and make recommendations thereon from time to time to the Secretary.
- (5) Make a continuous study of departmental organization, administration, and procedure in the land use field, with a view to achieving maximum coordination of operations within the Department, interdepartmentally, and with relation to the States, and make recommendations thereon from time to time to the Secretary.
- (6) Secure administrative coordination of the activities of the Department in the land-use and related fields, with those of State and local agencies, except in the fields of general planning, research, and extension.
- (7) Coordinate the Department's water use policies and programs; a member of the staff of the Office of Land Use Coordination shall serve as chairman of the Water Facilities Board.
- (8) Perform special assignments as made by the Secretary, including review of policy documents, cooperative agreements, and correspondence in the land-use field; review of allocations of funds for flood control operations; review and coordination of legislative proposals in the land-use and related fields, whether initiated in or referred to the Department.
- (9) Serve as an executive staff to the Agricultural Program Board and the Secretary's Coordinating Committee.

III. The title of the head of the Office of Land Use Coordination shall hereafter be "Land Use Coordinator." The Coordinator shall serve as Chairman of the Agricultural Program Board and the Liaison Board.

IV. The Liaison Board heretofore established as part of the Office of Land Use Coordination shall give primary consideration to the problems of administrative coordination outlined in this memorandum. Each member of the Liaison Board shall report to the head of his agency concerning the work of the Board, and shall be responsible, under the supervision of the head of the agency, for effectuating within his agency, the decisions of the Board. The Land Use Coordinator shall confer with the heads of agencies of the Department whose work relates to

land use to agree upon the representative of the agency who shall serve on the Liaison Board.

V. The regional Coordinators in the Southern Great Plains and Northern Great Plains shall serve as members of the staff of the Office of Land Use Coordination, and shall report to the Land Use Coordinator in the exercise of the functions heretofore assigned to them.

VI. The provisions of Memorandum No. 725, dated July 12, 1937, establishing the Office of Land Use Coordination, are superseded to the extent that they are inconsistent with the provisions of this memorandum, which shall be effective on and after the date hereof.

H. A. WALLACE Secretary of Agriculture

RURAL ELECTRIFICATION ADMINISTRATION

Memorandum No. 827, issued July 1, 1939, covering in the R.E.A. is an example of the way in which a previously independent agency becomes administratively part of a department.

Subject to the further order of the Secretary, the following shall govern the operations of the Rural Electrification Administration:

1. In accordance with the provisions of section 5, part 1, of Reorganization Plan No. II, transmitted by the President to the Congress on May 9, 1939, pursuant to the Reorganization Act of 1939, the Rural Electrification Administration is hereby established as an agency of and within the Department of Agriculture.

2. The functions and activities of the Rural Electrification Administration shall be conducted and performed in accordance with the established departmental procedures and regulations of the Department.

3. (a) The Administrator of the Rural Electrification Administration shall perform his duties under the direction of, and be responsible to, the Secretary of Agriculture.

(b) Except as otherwise provided by law, the other officers and employees of the Rural Electrification Administration shall be subject to the direction of, and responsible to, the Administrator of the Rural Electrification Administration.

4. The Administrator of the Rural Electrification Administration shall be a member of the Agricultural Program[®] Board, established by Memorandum No. 786, dated October 6, 1938.

5. The Administrator of the Rural Electrification Administration is

authorized to utilize the personnel, records, and property (including office equipment) of the Rural Electrification Administration in the performance of the functions of the Administration.

- 6. All administrative orders, delegations of authority, and procedures heretofore issued or approved by the Administrator of the Rural Electrification Administration are continued, except to the extent that they conflict with Reorganization Plan No. II or other provisions of law, or with the regulations or procedures of the Department, or with the provisions of this memorandum.
 - 7. This memorandum shall be effective at once.

H. A. Wallace Secretary

Appendix C. Documents on the General Staff and Auxiliary Services

ESTABLISHMENT OF THE IN-SERVICE TRAINING COMMITTEE

Memorandum No. 768, issued July 25, 1938, is an example of the creation of machinery to implement a presidential order dealing with a staff problem—personnel—affecting the entire Department.

Section 8 of Executive Order No. 7619, signed by the President June 24, 1938, reads:

Section 8. The Civil Service Commission shall, in cooperation with operating departments and establishments, the Office of Education, and public and private institutions of learning, establish practical training courses for employees in the departmental and field services of the classified civil service, and may by regulations provide credits in transfer and promotion examinations for satisfactory completion of one or more of such training courses.

There is hereby established the Department In-Service Training Committee, which is directed to prepare recommendations for a departmental policy and program on in-service training activities after appropriate consideration of the Department's needs and the provisions of Section 8. The Committee will also give careful consideration to the relationship of the Department Graduate School to in-service training activities. The Committee will make its report by September 15. Chiefs of all bureaus and offices are invited to make suggestions and recommendations to the Committee at their earliest convenience.

The membership of the Committee shall be: Roy F. Hendrickson, Director of Personnel, Chairman; W. A. Jump, Director of Finance; Dr. O. C. Stine, Bureau of Agricultural Economics; Dr. A. F. Woods, Director of the Graduate School; W. B. Stephens, Farm Security Administration; Peter Keplinger, Forest Service; M. C. Wilson, Extension Service; Dr. Carl F. Taeusch, Agricultural Adjustment Adm.; Dr. W. W. Stockberger, Special Adviser to the Secretary; Dr. W. B. Bell, Bureau of Biological Survey; F. J. Hopkins, Soil Conservation Service; Samuel S. Board, Office of Personnel, Secretary; P. W. Melton, Office of Personnel, Assistant Secretary.

M. L. WILSON

Acting Secretary

ESTABLISHMENT OF THE DROUGHT COMMITTEE

This Memorandum to Chiefs of Bureaus and Offices, issued May 24, 1939, illustrates a type of organization used to mobilize the resources of the whole Department in anticipation of a threatened emergency.

At the present time evidence indicates that we may have another drought condition in 1939. In order that we may be prepared to meet any emergency that may arise, I hereby appoint the following members to serve on the Drought Committee: N. E. Dodd (Chairman), Western Division, AAA; Fred Merrifield, Southern Division, AAA; Philip Maguire, Vice President, Federal Surplus Commodities Corp.; Leroy K. Smith, Federal Crop Insurance Corporation; James G. Maddox, Director of Rehabilitation Division, FSA; C. W. Warburton, Director, Extension Service; Ralph Stauber, Land Use Coordination; C. B. Manifold, Division of Conservation Operations, SCS; Roy Kimmel, Coordinator, Bureau of Agricultural Economics; W. F. Callander, Division of Crop and Livestock Estimates, BAE.

This Committee will make a careful study of the extent of the drought in all areas at the present time and will advise the Secretary of any modifications or additions which should be made to enable the existing farm programs to better serve the farmers in these affected areas.

It will also be the duty of the Committee to consult with the other agencies within the Department whose work touches these areas.

It is suggested that the Committee arrange for an early meeting in order that this important work may be promptly started.

H. A. WALLACE Secretary

ESTABLISHMENT OF THE STATISTICS COMMITTEE

Memorandum No. 829, issued June 2, 1939, illustrates the creation of a committee to deal with a department-wide staff problem.

Further improvement and coordination in the statistical work of the Department of Agriculture are highly desirable in the interest of research, planning, program administration, and public information. For this purpose there is hereby created a committee to be known as the Statistics Committee of the Department of Agriculture. The mem-

bership will include one representative from each Bureau or other major branch of the Department having relatively large responsibility for the compilation and use of statistics.

Each representative on the committee should be close enough to the general administration of his organization to know at least in general its field of work and its statistical material. By reason of the responsibility assigned to the Bureau of Agricultural Economics in economic research and planning, the chairman of the committee will be from that Bureau. The Bureau will provide such personnel as may be necessary to constitute an efficient working unit under the general guidance of the Statistics Committee, whose functions are outlined below.

The committee will concern itself with statistical policies and programs within the Department, exercising cooperative leadership in the improvement of statistics. It will have no administrative responsibility over projects. It will of course make recommendations to appropriate administrative authorities having jurisdiction over the matter to which the recommendations refer.

The general functions of the committee will include: (1) Coordination and improvement of statistics gathered by operating agencies largely as by-products of administrative action, in order to make these data more useful in research and program planning and to promote efficiency in our statistical work as a whole; (2) promotion of precision and refinement of data and analysis, especially to meet the needs of planning, programming, program improvement, and administration; (3) relating the improvement of statistics to the formulation of programs and to the uses of statistics in securing public understanding of, and informed reaction to agricultural policies, programs and administration.

The specific functions of the committee will include: (1) Improvement, correlation, and clearance of questionnaires; (2) maintaining cooperative relations with the Bureau of the Census (the chairman of the Department Census Committee might well be a member of the Statistics Committee); (3) work with and through the Yearbook Statistics Committee; (4) maintain cooperative relations with the Central Statistical Board; (5) plan and develop necessary cooperative relations with agencies outside of the Department on specific problems in statistics but with proper clearance with Central Statistical Board.

Clearance of questionnaires with the Central Statistical Board will be accomplished through the Statistics Committee rather than through the Office of Budget and Finance. The instructions in Department Regulation No. 1616 are modified accordingly.

Mr. H. R. Tolley, Chief of the Bureau of Agricultural Economics, will work out with the various agencies of the Department the necessary arrangements for carrying this memorandum into effect.

H. A. Wallace Secretary

* * *

Similar departmental committees were created to solve various staff problems by the following memoranda:

Memorandum	Date	Purpose
	79110/27/38	Establishment of a committee to plan increasing consumption of food products by low-income groups.
MEMORANDUM FOR		
of Bureaus and	Offices10/19/38	Establishment of the General Administration Board for the Department Graduate School.
MEMORANDUM FOR		
of Bureaus and	Offices7/10/39	Creation of a committee to consider problems in presenting the Department's needs for W.P.A. and P.W.A. funds.
Memorandum no.	8317/11/39	Establishment of a committee to study the organization and operation of the Federal Crop Insurance Corporation for possible economies,
Memorandum to		
Bureau Chiefs .	3/15/39	Establishment of the standing Committee on Plant Names.
MEMORANDUM NO.	8133/23/39	Creation of the Department Patent Committee.
MEMORANDUM NO.	8205/11/39	Reconstitution of the membership of the Committee on Agricultural Labor.
MEMORANDUM NO.	8113/14/39	Designation of membership on the Committee on Rural Housing.

DEPARTMENT OF AGRICULTURE: STATUS OF PERSONNEL, JULY 31, 1939

Grand

Bureau	Tem	Temporary	Clas	Classified	Pro- bationa	ro- onary	Exce	Excepted	Unc	Unclassi- fied	Pending Cer- tification		Sec. 10 Rule II	Status Ono	(-Totals
	D.C.	Field	D.C.	Field	D.C. Field	Field	D.C.	Field	D.C.	Field	D.C. Field	<u> </u>	C. Field		, A	Field
A.A.A.	4	-	545	53	53	-	1,372	827	13	1	1	32	i	1	1.987	
Bur. Ag. Econ	39	32	437	108	22	40	153	302	4	1	1	3	1	1	656	
Bur. Ag. Chem. & Eng	46	12	421	149	∞	10	33	49	=	32	-	7	4 1	1	494	
Ag. Mktg. Serv	17	80	682	1,405	27	50	33	82	15	10	1	-	1 1	1	745	
Bur. Animal Ind	4	18	244	3,804	∞	63	-	1,044	14	444	1	145	1	1	271	
Commod. Crdt. Corp	Ŋ	1	47	1	1	1	I	I	1	1	1	1	1	75 18	127	
Commod. Ex. Admin.	7	1	95	129	33	3	-	1	1	1	1		1	1	106	132
C.C.C. Activ. Off	ı	I	-	ES.	1	1	-	1	1	1	1	· 	1	1	2	
Bur. Dairy Ind	1	1	129	54	4	∞	1	7	S	54	1	· 1	1	1	138	
Bur. Ent. & Plant Quar	-	62	322	1,149	3	29	∞	242	S	28	I	S	5 1	1	344	1,604
Off. Exp. Sta	r	I	57	=	33	I	I	Ŋ	1	I	ı		1	1	63	
Ext. Service	7		247	12	9	1	Ŋ	25	7	33	1	1	1	1	267	
Farm Sec. Admin	1	1	45	22	-	7	929	14,389	1	1	1	1	1	1	975	
Fed. Crop Ins. Corp	I	I	S	-	7	1	130	572	1	1	1	1	1	1	137	
Fed. Surpl. Commod. Corp	1	1	12	7	7	1	449	280	1	1	1	1	1	1	466	
Food and Drug Admin	4	-	254	480	17	22	4	13	16	7	1	1	1	1	296	
Foreign Ag. Rel. Off	-	I	25	15	I	19	-	ı	1	1	1		1	1	54	
Forest Service	133	217	363	5,778	46	411	1	198	7	28	1	136		1	544	
Bur. Home Econ	=	ı	78	3	14	-	-	9	4	I	7	1	2 -	1	157	
Off. of Info	-	ı	167	1	33	-	=	1	7	1	1	1	1	1	184	
Library	4	I	33	1	4	ı	∞	1	1	1	1	1	1	1	49	1
Nat'l Ag. Res. Ctr	I	18	1	54	I	S	1	273	1	235	1	ъ	1	1	1	
N.E. Timber Salv. Admin	1	I	1	28	1	-	1	1,123	1	1	ı	1	1	1	1	1,182
Bur. Plant Ind	14	10	617	607	7	S	Ξ	104	38	464	1	7	2 2	1	689	1,224
Rur. Elec. Admin.*	I	1	I	1	1	1	1	1	1	ı	1	1	1	1	691	89
Off. of the Sec'y	20	1	455	4	16	1	146	10	21	1	1	1	1	1	629	14
Soil Cons. Service	78	009	748	10,528	16	299	708	3,142	-	92	1	239	-	9	1,061	15,259
Off. of the Solicitor	ı	I	135	37	7	1	243	156	-	1	. 1		1	1	386	193
Sugar Division	1	1	23	1	1	1	23	1	1	I	1	1	1	1	46	-
Weather Bureau	-	2	276	1,359	S	86	4	288	12	Ŋ	1	∞	1	1	299	1,748
TOTALS	350	1,054	6,493	25,834	277	1,444	3,815	23,141	166	1,466	8	92	181	75 24	11,893	53,638
*Analysis not available for Rural Electrif	ication	Electrification Administration	stration.													

2,901 1,441 1,441 2,336 5,790 1,948 1,948 1,5,391 15,391 15,391 167 167 167 1,913 1,913 16,320 16,320 16,441 1,913

DEFINITIONS OF TERMS

PROBATIONARY. Employees who will have a classified status when and if their probationary periods have been satisfactorily completed.

EXCEPTED. Employees without a classified status who are serving in positions exempted from the requirements of the Civil Service Act by law or by Schedule A of the Civil Service

UNCLASSIFIED. Unskilled laborers who have no status unless appointed in accordance with the labor regulations promulgated by the President and in effect only where labor PENDING CERTIFICATION. Employees appointed by authority of the Civil Service Commission, pending certification, for an indefinite period and until such time as a register of eligibles can be certified for probational appointment. boards are located.

SECTION 10, RULE II (Now Section 8, Rule II). Employees occupying classified positions appointed without examination in rare instances when the Commission finds that the duties or compensation of a vacant position are such, or that qualified persons are so rare, that in its judgment such position cannot, in the interest of good civil-service administration, be filled at that time through open competitive examination.

2,047

Status Quo. An employee whose position is brought into the classified service, who does not obtain a classified status, but who is authorized by the Civil Service Commission to remain in the excepted status. When the position is vacated, it will then be filled by an employee with classified status.

UNALLOCATED, Last actual that or reference to status. An employee whose position has not been allocated to any certain grade and salary range in accordance with the Classification Act of 1923 or by Executive Order. Included are collaborators, agents, cooperative employees, unskilled, semi-skilled, and skilled laborers.

DEPARTMENT OF AGRICULTURE: SEASONAL FLUCTUATION OF PERSONNEL

Letter of Authority	Employees*	July 1939 Jan. 1940	5.164		9 23					7 20		1	3	1	1	1	3 331	-	1	7 3,045										2 890					6 17,285
Letter		July 19	4.78	,	4	4	167	1	'	2,	. 1	7,569	iń		1	1	133	1	ı	10,54	7,52		1		ī	1	711	1	1	2,017	6	1	1	4	33,866
pointment	040		3,150						231	4	255	3,660	95	8,507	15,444	536	1,348	096	73	7,334	ı	167	206	46	346	532	2,596	197	710	15,226	1	009	47	2,286	77,117
Jnder Formal Appointment	-Jan. 31, 19	Field	1,185	1,485	380	2,048	5,633	10	132	-	119	3,307	34	8,230	14,511	406	738	642	9	6,793	1	2	-	-	346	532	2,006	64	47	14,221	1	208	-	1,923	65,012
Unde		D.C.	1,965	798	403	176	270	158	66	3	136	353	61	277	933	130	610	318	19	541	1	165	205	45	1	1	290	733	663	1,005	1	392	46	363	12,105
oointment	J	Total	3,080	1,955	813	2,571	5,973	145	240	S	271	3,828	88	8,535	15,434	716	759	833	88	7,479	ı	169	185	49	288	1,182	2,664	780	685	16,574	1	280	47	2,059	78,375
Jnder Formal Appointment	—July 31, 1939	Field	1,090	1,295	317	1,826	5,701	18	134	3	133	3,480	25	8,266	14,453	579	293	537	34	6,927	1	12	-	1	588	1,182	1,963	89	25	15,512	I	194	-	1,759	66,437
Under		D.C.	1,990	099	496	745	272	127	106	2	138	348	63	269	981	137	466	296	54	552	1	157	184	49	1	1	701	691	099	1,062	1	386	46	300	11,938
ı	Bureau		A.A.A.	Bur. Ag. Econ.	Bur. Ag. Chem. & Eng	Ag. Mktg. Serv	Bur. Animal Ind.	Commod. Crdt. Corp	Commod. Ex. Admin	C.C.C. Activ. Off	Bur. Dairy Ind	Bur. Ent. & Plant Quar	Off. Exp. Sta	Ext. Service.	Farm Sec. Admin	Fed. Crop Ins. Corp	Fed. Surpl. Commod. Corp	Food and Drug Admin.	Foreign Ag. Rel. Off.	Forest Service	Forest Service, C.C.C	Bur. Home Econ	Off. of Into	Library	Nat'l Ag. Res. Ctr	N.E. Timber Salv. Admin			Off. of the Sec'y	Soil Cons. Service	Soil Cons. Service, C.C.C	Off. of the Solicitor	Sugar Division	Weather Bureau	Total

^{*}Employed for short periods of time by officials of the Department—usually in the field—under authority conferred by letter by the Secretary.

DEPARTMENT OF AGRICULTURE: DISTRIBUTION OF PERSONNEL BY CLASSIFICATION, JULY 10, 1939

	C1	assified	Excer	oted —	— Unclas	sified—	
Service *	D. C.	Field	D. C.	Field	D. C.	Field	Totals
P-1	166	4,018	38	1,145		_	5,367
P-2	291	3,199	94	252		_	3,836
P-3	344	1,603	120	140			2,207
P-4	227	730	125	70	******	_	1,152
P-5	330	581	97	- 49			1,057
P-6	183	164	46	20	_	_	413
P-7	50	31	14	10			105
P-8	11	_	2	4	_	_	17
SP-1	27	1,168	4	73	11	_	1,283
SP-2	52	323	10	217	1		603
SP-3	77	645	10	867		_	1,599
SP-4	107	838	18	363	_	_	1,326
SP-5	120	1,082	8	457	_	_	1,667
SP-6	129	1,173	7	145	_	_	1,454
SP-7	58	445	1	36	—	_	540
SP-8	12	553	2	29	_	_	596
CAF-1	169	355	191	829	_		1,544
CAF-2	1,013	2,182	1,222	1,015	_		5,432
CAF-3	1,406	1,634	776	443	_	_	4,259
CAF-4	735	737	278	201	_	_	1,951
CAF-5	383	498	181	219	_	_	1,281
CAF-6	122	168	77	104	_	_	471
CAF-7	168	684	108	227		_	1,187
CAF-8	33	101	15	55	_	_	204
CAF-9	104	336	113	140	_	_	693
CAF-10	28	52	20	38	_	_	138
CAF-11	76	128	64	177	_		445
CAF-12	67	102	41	109	_	_	319
CAF-13	42	5	22	9	_	_	78
CAF-14	4 2	_	4 5	2	_	_	10 7
CAF-15	2	_	1		_	_	1
CAF-10	_	_	1	_	_	10	
CU-1	155	5 85	113		117	10	15
CU-2	155		39		117	54	563
CU-3	96	766 29 9	39	155 149	33 1	14	1,103
CU-4	13 7	81	1	21	1	5 5	467 115
CU-5	9	1,926	7	352		2	2,296
CU-6 CU-7	3	128	2	71	_		204
CU-8		120		28		_	148
CU-9	1	39	_	9		_	49
CU-10		34	_	6	_		40
EO-1	_		1	1,770		_	1,771
EO-2	_	5	2	2,560	_		2,567
EO-3	_	1	4	1,654	×		1,659
EO-4	_	5	20	2,224	_		2,249
EO-5	_	4	21	1,890	_	_	1,915

DISTRIBUTION OF PERSONNEL BY CLASSIFICATION (cont'd)

	/Cla	ssified ——	Exc	epted —	Uncla	assified —	
Service*	D. C.	Field	D. C.	Field	D. C.	Field	Totals
EO-6	. —	2	7	1,653	_	_	1,662
EO-7	. —	1	3	792	_	_	796
EO-8		1	1	453	_	_	455
EO-9		2	3	369	_	_	374
EO-10		2	_	214	_		216
EO-11		3	3	218	_	_	224
EO-12		_	2	347	_		349
EO-13	-	_	_	104	_	_	104
EO-14	. —	1		31	_	.—	32
EO-15		1	_	65	_	_	66
EO-16		_	2	24		_	26
EO-17	. —	_	6	6	_	_	12
EO-18	. 2	_	12	8	_	_	22
EO-19	. —		7	7	_	_	14
Unallocated		1,088	69	13,099	_	1,353	15,609
Total	6,822	28,134	4,039	35,763	163	1,443	76,364

* Designations of classification services. (All definitions except for "EO" are from the Classification Act of 1923):

P: The professional and scientific service shall include all classes of positions the duties of which are to perform routine, advisory, administrative, or research work which is based upon the established principles of a profession or science, and which requires professional, scientific, or technical training equivalent to that represented by graduation from a college or university of recognized standing.

SP: The *subprofessional service* shall include all classes of positions the duties of which are to perform work which is incident, subordinate, or preparatory to the work required of employees holding positions in the professional and scientific service, and which requires or involves professional, scientific, or technical training of any degree inferior to that represented by graduation from a college or university of recognized standing.

CAF: The clerical, administrative, and fiscal service shall include all classes of positions the duties of which are to perform clerical, administrative, or accounting work, or any other work commonly associated with office, business, or fiscal administration.

CU: The *custodial service* shall include all classes of positions the duties of which are to supervise or to perform manual work involved in the custody, maintenance, and protection of public buildings, premises, and equipment, the transportation of public officers, employees or property, and the transmission of official papers.

EO: Executive Order classification refers to positions allocated in accordance with the provisions of Executive Order No. 6746, June 21, 1934, which provides for 19 grades with maximum salaries arranged to correspond to comparable services and grades under the Classification Act of 1923.

DEPARTMENT OF AGRICULTURE: UNPAID PERSONNEL, JANUARY 31, 1940

Bureau	D. C.	Field	Total
A. A. A	1	141	142
Bur. Ag. Econ	3	527	530
Bur. Ag. Chem. & Eng	3	31	34
Ag. Mktg. Serv	_	137	137
Bur. Anim. Ind	2	95	97
Bur. Dairy Ind	—	. 3	3
Bur. Ent. & Plant Quar	4	739	743
Off. Exp. Sta		11	11
Ext. Service	2	7,858	7,860
Farm Sec. Admin	3	35	38
Fed. Crops Ins. Corp	_	6	6
Food and Drug Admin	_	2	2
Forest Service	10	82	92
Bur. Home Econ	1		1
Bur. Plan. Plant Ind	9	385	394
Off. of the Sec'y	7	23	30
Soil Cons. Service	1	103	104
Weather Bureau	1	_	1
Total	47	10,178	10,225

PERSONNEL RELATIONS POLICY AND PROCEDURE

Memorandum No. 753, issued May 4, 1938, is the first formal statement issued by a department defining the procedure for handling employee relations and is thus a historically significant step in federal personnel administration.

To Heads of All Bureaus and Offices

Copies of this statement should be duplicated and supervisory personnel under your direction instructed to make certain that each employee, both Washington and field, receives a copy:

To All Employees of the Department of Agriculture

Section I. Introduction

It is a part of good personnel administration that employees have access to responsible administrative officials for the discussion of individual problems affecting their status and welfare. In an organization as large as this Department it is natural that questions and problems will arise involving personnel relations. Their prompt and orderly con-

sideration and disposition is consistent equally with efficient administration and the desire of employees.

It is desirable that uniform procedures be expressed and followed which will be fair, orderly, and expeditious. This statement of policy and procedures comes as a result of a need expressed by employees, administrators, and employee organizations alike. It can, of course, be revised as necessary.

Certain fundamentals deserve emphasis. First of all is the fact that the staff of the Department constitutes an organization to carry out a program of public service. Because the Department is an agency of the sovereign government, departmental policies and procedures must conform to national policy. President Roosevelt in a statement last year made clear and understandable certain fundamentals of national policy which are quoted below:

The desire of Government employees for fair and adequate pay, reasonable hours of work, safe and suitable working conditions, development of opportunities for advancement, facilities for fair and impartial consideration and review of grievances, and other objectives of a proper employee relations policy, is basically no different from that of employees in private industry. Organization on their part to present their views on such matters is both natural and logical, but meticulous attention should be paid to the special relationships and obligations of public servants to the public itself and to the Government.

All Government employees should realize that the process of collective bargaining, as usually understood, cannot be transplanted into the public service. It has its distinct and insurmountable limitations when applied to public personnel management. The very nature and purposes of Government make it impossible for administrative officials to represent fully or to bind the employer in mutual discussions with Government employee organizations. The employer is the whole people, who speak by means of laws enacted by their representatives in Congress. Accordingly, administrative officials and employees alike are governed and guided, and in many instances restricted, by laws which establish policies, procedures, or rules in personnel matters. . . .

Upon employees in the Federal service rests the obligation to serve the whole people, whose interests and welfare require orderliness and continuity in the conduct of Government activities. This obligation is paramount.

Section II. Informal Discussion

Whenever an employee desires to avail himself of an informal discussion with officials, he should feel free to use that means of making his views known. Nothing in this statement should be construed as

discouraging an employee or group of employees in any part of the Department from discussing problems with their supervisory officials.

Section III. Employee Organization and Representation

I. Every employee has the right to join or to refrain from joining any organization or association of employees, and no employee of this Department and no one seeking employment shall be required as a condition of employment, transfer, promotion, or retention in service to join or to refrain from joining any organization or association of employees.

2. Every employee has the right to designate a representative, including an organized group or association of federal employees, for the purpose of consulting and conferring with departmental supervisory personnel on his behalf. This in no way shall curtail the right of any employee to consult and confer with the departmental supervisory personnel on his own behalf. In the exercise of these rights, all employees shall be free from any and all restraint, interference, coercion, or reprisal on the part of associates or supervisors.

3. There shall be no discrimination against representatives of employees in the Department, nor shall employees suffer discrimination because of membership or non-membership in any organization or association of employees.

Section IV. Procedure on Employee Requests for Information

obtain information with respect to rules and regulations governing personnel administration in the Department and with regard to appeal procedures. They are expected to seek such information through regular supervisory channels in the following order: the employee's immediate supervisor, proceeding then through the unit, section or division head as the case may be, to the head of the agency in which employed or to such representatives as the chief or administrator may designate for the purpose; proceeding then to the Director of Personnel of the Office of the Secretary or to such members of the Director's staff as are specifically designated by the Director to supply such information.

2. Supervisors are instructed to comply with reasonable promptness to requests for information of this kind, and if unable to supply such information to refer the employee to the officer to whom the superior is administratively responsible. While employees are expected to seek such information through regular supervisory channels as indicated above, in

cases where the employee believes that his immediate supervisor is unable or unwilling to supply him with accurate information, or for any other reason, he may proceed to obtain this information from the supervisor's superior. Requests for information can be made either orally or in writing.

Section V. Procedure on Presenting and Appealing Employee Grievances

- 1. Any complaint or grievance involving working conditions, promotion, transfer and similar matters, or growing out of the interpretation or application of rules and regulations governing personnel administration under which the Department or any bureau or subdivision functions where existing law permits of administrative discretion, may be presented and appealed by the employee or his representative in the following manner;
- a. The complaint or grievance should be presented either in oral or written form through established supervisory channels up to and including the designated chief supervisory officer concerned. Established supervisory channels means the heads of units, sections, and divisions.
- b. Failing reasonably prompt and satisfactory adjustment through supervisory channels referred to in "a," the employee or his representative may appeal to the chief or administrator of the bureau or agency to which the employee is assigned. Notice of the appeal may be presented orally or in writing.
- (1) When the chief or administrator of the bureau or agency receives notice of appeal, he shall proceed in the following manner: Either personally or through a designated representative, he shall seek through conference to obtain informally a prompt and satisfactory adjustment.
- (2) In event this effort fails, but in any case at any time that the employee who is appealing elects, he shall proceed as follows: Either he or a designated representative shall proceed to the organization of a board of three members to investigate the case and to make findings of fact and recommendations for its disposition. This board shall consist of one representative to be selected by the employee; one member to be selected by the chief or administrator of the bureau or agency concerned. These two members are to select a third impartial member.

This board is authorized to hear witnesses and to obtain information as it feels necessary in order to arrive at findings of fact and recom-

mendations which are to be presented with reasonable promptness to the chief or administrator. The chief or administrator shall give careful consideration to these findings and recommendations in arriving at his decision.

- c. Failing reasonably prompt and satisfactory adjustment by the chief or administrator of the bureau or agency, the employee or his representative may appeal to the Director of Personnel of the Office of the Secretary. The appeal may be presented orally or in writing, but notice of appeal of any dispute or disagreement from the decision of the chief or administrator of any bureau or agency must be filed in writing with the Director of Personnel.
- d. When the Director of Personnel receives notice of appeal, he shall proceed in the following manner: Either personally or through a designated representative, he shall seek through conference to obtain informally a prompt and satisfactory adjustment. In event this effort fails, but in any case at any time that the employee requests, he shall proceed as follows:
- (1) He shall proceed to the organization of a board of three members to investigate the case and to make findings of fact and recommendations for its disposition. This board shall consist of one representative to be selected by the employee; one member to be selected by the chief of the bureau from whose decision the appeal was made. These two members are to select a third impartial member.

This board shall be authorized to review the record in the case, investigate the facts as necessary, and to hear witnesses. The board's findings and recommendations shall be placed in writing and shall be given careful consideration by the Director of Personnel in making his decision.

- e. Appeals from the decision of the Director of Personnel may be presented in writing to the Secretary of Agriculture.
- f. It is to be clearly understood that any employee shall be free from any and all restraint, interference, coercion, or reprisal on the part of his associates or supervisors in the matter of making any appeal or in seeking information in accordance with these established procedures. All appeals shall be considered during the regular working hours of the Department.

Section VI. Classification

Any employee or his duly authorized representative may inspect the job classification sheet of the employee concerned. These are on file in

the Office of the Director of Personnel, in units under the immediate direction of the chief or administrator of each bureau, and frequently in division and field offices. Supervisors are expected to inform any employee or his representative on request where such sheets are on file.

A personal word in conclusion—I am very anxious that personnel relations in the Department be satisfactory at all times. This statement of policy and procedure will contribute to that end. All employees—administrators, supervisory and non-supervisory personnel alike—should consider this statement carefully. I shall be glad to receive reactions—favorable or unfavorable—from any employee in writing so that we may have the benefit of any suggestions for its future improvement.

H. A. WALLACE

Secretary

IMPROVEMENT IN RECRUITMENT METHODS

The Memorandum to Chiefs of Bureaus and Offices issued November 12, 1938, urging them to take affirmative steps for the recruitment of superior professional men, is an example of enlightened personnel policy.

There is a great deal of general criticism—both justified and unjustified—with regard to the number and quality of eligibles for employment in junior professional positions. There is a great deal which this Department can do through teamwork and personnel planning in the direction of improving the situation, and the proposal below merits the careful attention of every bureau in the Department.

Early this year we had a discussion in this office with a number of bureau representatives to consider ways of stimulating and encouraging outstanding prospects for professional service to take Civil Service examinations. The plan contemplated teamwork on the part of responsible administrators in all bureaus in connection with visits to institutions and systematic interviews with the deans, professors, and students. In the case of two agencies in the Department such visits on a systematic basis were conducted last spring with good results.

Recently we began assembling material for the purpose of asking the Civil Service Commission to hold examinations early next year to provide eligibles for employment in junior professional positions. Commercial concerns actively recruit outstanding seniors and graduate students prior to graduation. We should recognize the importance of providing opportunities for senior and graduate students to take examinations at a time when they are most deeply interested in obtaining a position. The best time at present would seem to be between the semesters of senior year in February.

In order to obtain a basis for a proposal for teamwork this year in contacting promising prospects who should be encouraged to take examinations—in terms of the Department's needs as a whole—certain information is desired as follows, and an early response to this request would be appreciated:

I. What is being done by designated persons in your bureau to check on the records of promising young men and women and to encourage them to enter Government service?

2. What practices and procedures are now employed by your bureau in establishing and maintaining contacts with educational institutions, societies, associations, placement agencies and private industry in the recruitment of personnel? a. Please furnish the names of any agencies with which contacts are made. b. Who makes the contacts? c. How are such contacts made? d. What are the positions concerning which contacts are made? e. What has been accomplished by such contacts as you have made? f. What difficulties have you encountered in your program?

3. What can the people of your bureau contribute in the way of establishing and maintaining contacts with outside agencies not only with respect to prospective candidates for employment in your bureau, but from the standpoint of the Department as a whole? Could you arrange to have designated persons in your bureaus occasionally visit universities and colleges in the course of their regular duties, getting a line on good candidates and bringing to their attention the prospects and advantages in the Department of Agriculture? Do you think such an approach would be practicable?

It is to be recalled that while announcements of examinations of the Commission are now widely distributed and advertised, they fail in many cases to reach outstanding prospects who might be reached and encouraged to take such examinations, thus improving the quality of the registers by a systematic program involving a large degree of intrabureau and intra-office cooperation.

Roy F. Hendrickson Director of Personnel

BUDGET OFFICE AND IMPLEMENTATION OF EXECUTIVE ORDERS

Memorandum No. 767, issued July 18, 1938, to Chiefs of Bureaus and Offices and others concerned is an example of the method of implementing within the Department a statute and a presidential order.

To Chiefs of Bureaus and Offices and Others Concerned:

Section 204 (c) of Public No. 706—75th Congress, creating a Civil Aeronautics Authority, approved June 23, 1938, is as follows:

Travel by personnel of the United States Government on commercial aircraft, domestic or foreign, including travel between airports and centers of population or posts of duty when incidental to travel on commercial aircraft, shall be allowed at public expense when authorized or approved by competent authority, and transportation requests for such travel may be issued upon such authorizations. Such expense shall be allowed without regard to comparative costs of transportation by aircraft with other modes of transportation.

A letter addressed by the President to the heads of executive departments, establishments, and agencies, contains the following:

In order to hold to a minimum the cost of air travel that would be in excess of such cost under the existing Standardized Government Travel Regulations, it is my desire that all requests for travel authority of this character be given the closest scrutiny and that such travel be permitted only upon the written authorization of the head of the department, establishment, or agency for which the travel is to be performed.

In compliance with the expressed desire of the President, specific authorization by the Secretary, prior to performance of travel, will be required on the travel order or letter of authorization covering travel by air lines authorized under the section of the Act above quoted. This requirement is in addition to the requirements contained in regulation 3422 of the Regulations of the Department.

Under authority contained in paragraph 8, Standardized Government Travel Regulations, transportation by air lines will continue to be allowed without specific advance authorization or subsequent approval when the cost thereof less (1) the amount of subsistence allowance saved by more expeditious travel, and (2) the amount of the salary of the traveler for the time thus saved, does not exceed the cost of rail or steamer transportation and Pullman and/or stateroom fare between the points of travel.

Actual cost of air-line transportation will continue to be allowed in any case (a) where it is satisfactorily shown that no other usual means of public transportation are available, or (b) when the Secretary determines in writing, either prior or subsequent to performance of travel, that the use of air-line transportation is to the advantage of the United States because of the existence of an emergency or exigency which could not have been anticipated or postponed.

M. L. Wilson
Acting Secretary

DEPARTMENT BUILDINGS ON THE MALL

Note by the authors on the history of the Department's buildings.

The "coming of age" period of American life, noted as characteristic of the last decades of the nineteenth century, found its reflection in the development of the national capital in the twentieth century. Under the chairmanship of Senator McMillan of Michigan the Senate Committee on the District of Columbia initiated a study of the park system of the District; following the suggestions of the American Institute of Architects, a staff of consultants, including Daniel Burnham, Frederick Law Olmsted, Jr., Charles F. McKim, and Augustus St. Gaudens, was instructed to submit a plan. The choice of Mr. Burnham was the result of his success as Director of Works of the World's Fair at Chicago in 1893 in achieving a planned and unified treatment of the exposition. The consultants submitted a report in which a return to, and a revival of, further development of the original L'Enfant plan for the city was strongly urged. Central to this proposal was the restoration of the Mall, supposed to lead from the Capitol west, and the development of a crossaxis from the White House south. It was proposed to erect the major executive department buildings in the future about Lafayette Square, while the Mall, restored in keeping with the L'Enfant conception, was to be cleared of its railroad and other invasions.

At that time the Department occupied a building constructed for it in 1868; its first experimental farm and propagating garden was located in a westerly portion of the Mall just east of the Washington Monument; and the Department was proposing to erect a new building to house its expanding activities in that same neighborhood. ¹ In discussing

¹ Through the pioneer work of Superintendent Saunders an important arboretum had been developed in its gardens, and many plants, including the famous Bahia orange, had been transplanted from foreign countries to its gardens or greenhouses.

the location of new buildings for the executive departments the Commission remarked that the Mall should be reserved "for buildings devoted to scientific purposes and for the great museums." The report continued: "The Agricultural Department, however, being the nucleus of a great number of laboratories requiring a maximum of light and air, may properly have its new building located, as at present proposed, on the grounds in the Mall, now set apart for its uses." Early in the twentieth century, therefore, the consultants charged with the study of the location of department buildings grouped the Department among those institutions essentially scientific in function and agreed that it might well be separated physically from the location proposed for the older "political" departments—State, War, Navy, Justice, Post Office, Treasury, and Interior—which they recommended should be located, with an office building for the President, around Lafayette Square. 3

Plans for the new building were prepared under the direction of a departmental committee whose chairman was B. T. Galloway, first chief of the Bureau of Plant Industry, who⁴

insisted, with the support of the Secretary, in planning a building that could meet the expanding needs and that would be adapted for the work rather than being simply a beautiful monumental structure. He drew the sketch of what now constitutes the North and South department buildings. This was not obtained without a fight.

Significantly enough, the first part of the new building to be erected consisted of two wings, completed in 1908, extending east and west and facing the Mall, with a gap between them that was filled in 1930 by the not-too-congruous central block of the Main Building. There is a certain lesson to be derived by the student of administration from these physical developments, which may here be briefly illustrated despite the fuller appraisal of functional and organizational evolution in the text. Two operating bureaus long occupied these wings: the Bureau of Animal Industry, oldest of the bureaus (in formal constitution), and

² The Improvement of the Park System of the District of Columbia, Senate Report No.

166, 57th Cong., 1st sess., 1902, p. 44 and p. 65.

The visitor to Washington today knows that the present marble Main Building of the Department, with its older wings, stares across the new regraded Mall at the buildings of its newer colleagues, Commerce and Labor; but it has for its neighbors also the older Smithsonian Institution building and the National Museum.

^{*}A. F. Woods, "Beverly Thomas Galloway," *Science*, July 1, 1938, p. 6. There was a dispute over the location of the new building at the Mall site in which President Theodore Roosevelt finally had to intervene and insist upon the building line recommended by the Park Commission over the opposition of Secretary Wilson. Speaker Cannon wished to locate the new building in the center of the Mall, to defeat the efforts of the Plan Commission and the Senate Committee to restore and develop the L'Enfant Plan. Coordination in government is difficult. See Glenn Brown, *Memories* (1931) pp. 274-80.

the Bureau of Plant Industry, created, as previously stated, early in the administration of Secretary Wilson. These were the core of the older Department in that they embraced a great range of research activities in the basic factors of agriculture. In addition to this fundamental nature, both, perhaps especially the Bureau of Plant Industry, were prolific sources of new activities that grew into important administrative units by themselves. Illustrative of this process was the evolution of farmmanagement studies in the Bureau of Plant Industry into a number of highly specialized researches and services eventually gathered together into the Bureau of Agricultural Economics when it was established. The extension of activities of the Department was accompanied by the physical enlargement of its housing under Secretaries Hyde and H. A. Wallace with the construction, across Independence Avenue and joined to the older wings by the Wilson and Knapp Memorial Arches, of the South or "Extensible" Building. In 1939 the Secretary's office was housed in the central block of the Main Building; in the same block were many of the general-staff and auxiliary services. Some operating agencies, notably the Weather Bureau and portions of other bureaus, were still housed in scattered buildings in different parts of the city. Research activities were moved in increasing numbers to the Arlington Farm and later to Beltsville, Maryland. Thus, from the original wings, housing some of the oldest units of the Department, functions came to be widely dispersed. The resultant problem of keeping them in some coordinated relationship through the agencies located in the Main Building was proportionately difficult. With the realization that the greatest portion of the persons employed in the Department is located in the field, in the regional and state offices and field stations that numbered nearly four hundred, comes the recognition that the administrative problems of physical location alone are a major challenge.

ORDERS ON DEPARTMENT HOUSING NEEDS

Memorandum No. 809, issued February 27, 1939, set up the Office of Plant and Operations. See the text, p. 360. The Memorandum for Chiefs of Bureaus and Offices, issued October 5, 1938, illustrates the approach to a problem of management involving delicate factors of prestige and precedence, as well as the more obvious questions of economical space arrangement. As a result of the rearrangements brought about pursuant to this memorandum, five hundred additional employees were moved into the South Building, at an annual saving of about \$25,000 in rents.

Memorandum no. 809

In order to meet the expanding needs of the Department, the present Division of Operation will, effective March 1, 1939, be known as the Office of Plant and Operations, and its functions will be:

- 1. Responsibility for housing the operating plants of the Department for both the District of Columbia and the Field, such responsibility to include:
- (a) Initiation of a long range program of planning the most efficient housing of Departmental activities.
- (b) Active prosecution of approved housing projects for the Department's activities.
- (c) Study of possible consolidation of the housing of operating plants with a view to securing greater economy and efficiency of operation.
- (d) Responsibility for the maintenance of a current registry of real property, for space control and assignments, construction, repairs, relations with the National Park Service of the Department of Interior as they pertain to space and its maintenance in the District of Columbia, property management and maintenance, allotment and control of parking areas, leases, and related matters.
- 2. Responsibility for development, by collaborative methods with the operating Bureaus, of Departmental standards for equipment, including automotive and other heavy equipment, its operation and maintenance, also aerial, photographic and other optical equipment, and the study of such other related matters as may be determined from time to

time or have already been outlined in my memorandum of June 8, 1938, establishing the Technical Advisory Board.

- 3. Responsibility for the Department's Communications System, including, in addition to those functions which now comprise a part of the work of the present Division of Operations, responsibility for making studies of existing file systems and, by collaborative methods, to plan and develop a uniform system of file operations for the department's activities in both the District of Columbia and the field; to act in a liaison capacity for the Department with the National Archives.
- 4. Responsibility for administrative functions, such as fiscal and personnel control, for the Office of the Secretary, including the Offices of Budget and Finance, Personnel, Plant and Operations, Land Use Coordination, Marketing and Regulatory Work, and the maintenance of pertinent records.
- 5. Responsibility for the Departmental service and management functions of the Beltsville Research Center and supervision of the Office of General Superintendent.
- 6. Responsibility for operation and maintenance of the Department's Garage and Motor Transport System for the District of Columbia.

The following activities are hereby transferred to the Office of Plant and Operations: (1) The Division of Operation (now a part of the Office of the Secretary); (2) The Technical Advisory Board from the Office of Budget and Finance; (3) Office of General Superintendent, Beltsville Research Center, Beltsville, Maryland.

Mr. Arthur B. Thatcher is hereby appointed as Chief of the Office of Plant and Operations. He is also designated as Real Estate Officer for the Department and is hereby delegated to sign "For the Secretary" such leases for space and related instruments as are now required by the Department Regulations to be signed by the Secretary or Acting Secretary.

The Department Housing Committee, as outlined in the last paragraph of Department Memorandum No. 646, dated May 17, 1934, is hereby abolished.

H. A. WALLACE Secretary of Agriculture

MEMORANDUM FOR CHIEFS OF BUREAUS AND OFFICES

The space needs of the Department in Washington have increased steadily for the past few years and at present there is insufficient space in government-owned buildings to take care of its requirements. Because

of this situation a major fraction of the Washington personnel is located in rented quarters generally far removed from the Department building group. This has greatly increased operating costs and seriously reduced the speed and effectiveness of administration. Although every opportunity has been taken to submit estimates for the construction of additional buildings to house the Department personnel, it is evident that very little relief can be obtained from this source within any reasonable period. In an effort to provide a satisfactory solution for this urgent problem, the Space Committee of the Department has recently given serious consideration to space assignments in the Administration and South Buildings, and as a result of these deliberations and a very careful room-by-room survey it was found that space can be made available by rearrangement and consolidation.

This committee has made the following recommendations:

1. That office space assignments for regular employees in the Administration and South Buildings be predicated on the following assignment schedule:

Bureau Chief
Associate Chief or First Assistant Chief480 sq. ft. (2 bays)
Assistant Chief
Business Manager240 sq. ft. (1 bay)
Division Chief
Secretary to Bureau Chief240 sq. ft. (1 bay)
Secretary to Associate Chief240 sq. ft. (1 bay)
Secretary to Assistant Chief240 sq. ft. (1 bay)
Secretary to Business Manager240 sq. ft. (1 bay)
Secretary to Division Chief
Section Chief
Secretary to Section Chief
*Special Worker120 to 240 sq. ft. (½ to 1 bay)
Draftsman
General Clerical Worker70 to 100 sq. ft.
Statistical Worker
Pool Stenographer or Typist70 sq. ft.
Auditor70 sq. ft.
*

^{*} Special justification to be required if single occupancy of room is desired.

Additional space to provide for specialized office equipment or appliances may be assigned upon demonstrated need.

2. That the foregoing allotments of space take into consideration average quantities of office furniture and equipment for various classes of workers. Special circumstances may warrant changes in apportionment per person, but such departures from the schedule made by a bureau should not affect the total space to be occupied by the entire

office organization. Too frequently the government practice is to assign small individual rooms for one or two workers. This practice should be curtailed in the interest of space conservation. Studies by the Space Committee have shown that the grouping of many classes of office workers in large units has distinct advantages. The schedule is to be used to determine the total net office space to be assigned. The actual apportionment within the bureau is to be made by the bureau itself subject to final approval of the Space Committee. If it be shown that because of the inherent limitation of the space, the allotment needs revision, this may be done within reasonable limits.

3. That in preparing requests for substantial additions in appropriated funds or for the allocation of emergency funds, the responsible bureau officials be required to incorporate in the recommendation suitable provision for the rental of commercially-owned space unless the increased personnel can be absorbed within the space occupied by the bureau.

4. That the Space Committee continue the examination of space assignments in the District of Columbia with particular reference to relieving the congestion by transferring organizations to the field. This involves important fundamental departmental policies and this study must necessarily involve a complete examination of all of the factors.

The recommendations of the Space Committee are approved and the responsible officials of the several bureaus and offices are requested to cooperate in the fullest extent with members of the Committee. It is recognized that an attempt to fix a space assignment standard for activities as diversified as those included in the Department of Agriculture represents a very difficult task. The needs of the Department, however, are imperative and the Space Committee will endeavor to provide sympathetic consideration for those special conditions for which adequate justification is shown.

H. A. Wallace Secretary

APPENDIX D. DOCUMENTS ON STANDARDS

TEA STANDARDS ANNOUNCED BY THE SECRETARY OF AGRICULTURE

This press release of March 27, 1939, is an example of the Department's work in setting standards. See pages 173 and 177-86 in the text.

THE SECRETARY OF AGRICULTURE, pursuant to the authority of Sections 2 and 3 of the Federal Tea Act, as amended, recently fixed and established the following standards under the Tea Act for the year beginning May 1, 1939, and ending April 30, 1940: 1) Formosa Oolong; 2) Formosa Black; 3) Congou; 4) Java (to be used for all fully fermented teas excepting China, Japan, and Formosa); 5) Japan Black; 6) Japan Green; 7) Japan Dust; 8) Gunpowder (to be used for all China green teas); 9) Scented Canton (to be used for all scented teas); 10) Canton Oolong.

These standard teas were submitted to the Secretary by the Board of Tea Experts, and were selected at the meeting of the Board, held in February. They represent types suitable for comparison with all the various kinds imported. With these standard samples of tea, all teas entering the United States are compared by the Government Tea Examiners for purity, quality, and fitness for consumption under the Federal Tea Act of May 2, 1897, as amended.

These standard samples, put up in half-pound tins, will soon be available for distribution. They are used by Government tea examiners, and are furnished at cost by the Department of Agriculture to importers of tea and shippers of tea to this country, so that these firms may be sure that the product shipped or received does not fall below the standards set under the Tea Act.

These standards apply to tea shipped from abroad on or after May 1, 1939. Tea shipped prior to May 1, 1939, will be governed by the standards which became effective May 1, 1938.

STANDARDS FOR FARM PRODUCTS

The B.A.E. published a check list of standards for farm products, revised to June, 1938, of which the following is a summary.

Three types of standards, mandatory, permissive, and tentative, were defined as follows in the check list:

A Mandatory Standard may be defined as an official standard the use of which is compulsory in the conditions specified by the law under which that standard is promulgated; for instance, the Official Grain Standards of the United States for wheat are compulsory for such grain when shipped by grade in interstate commerce, according to the U. S. Grain Standards Act.

A Permissive Standard as here used may be defined as a standard which has been worked out and recommended officially for optional use. Such permissive standards are used by the U. S. Department of Agriculture in such lines of work as inspection and market news. Permissive standards are often adopted by States as mandatory under certain conditions.

A TENTATIVE STANDARD as here used may be defined as a standard that is still subject to investigation by the Department of Agriculture, that is offered for use under commercial conditions to test its practicability or as a basis for discussion. Such a tentative standard may later become either a permissive or a mandatory standard, according to circumstances.

Examples of mandatory standards issued were the following promulgated under the United States Grain Standards Act:

CORN. Promulgated 1916; revised 1934; amended 1935, Promulgated 1917; revised 1934; amended 1934, WHEAT. 1935, 1937. Promulgated 1919; revised 1934; amended 1935, OATS. RYE. Promulgated 1923; revised 1934; amended 1934, GRAIN SORGHUMS. Promulgated 1924; revised 1934; amended 1935. Promulgated 1925; revised 1934; amended 1935. FEED OATS. MIXED FEED OATS. Promulgated 1925; revised 1934; amended 1935. BARLEY. Promulgated 1926; revised 1934; amended 1935,

In the check list there were 208 standards, 22 of which were mandatory, 132 permissive, and 54 tentative.

Of the mandatory standards seven were issued under the United States Cotton Futures Act and the United States Cotton Standards Act; ten under the United States Grain Standards Act; two under the United States Export Apple and Peas Act of 1933; six under the United States Standard Container Acts of 1916 and 1928, and five under the Tobacco Stocks and Standards Act.

Of the permissive standards four were for dairy products, ninety-two for fruits and vegetables, nine for hay, two for livestock, seven for meat, three for rice, two for wool, six for canned foods, two for peas, and one each for beans, broomcorn, cotton seed, straw, and soybeans.

Of the tentative standards one was issued under the United States Cotton Standards Act; other standards stated to be used in market news, grading service or educational or demonstration work included one for cream, three for barrelled fruits and vegetables, twenty-five for canned foods, three for hides and skins, three for livestock, five for meats, and thirteen for tobacco.

Appendix E. Notes on Washington and the Field

ANNOUNCEMENT OF A CONFERENCE ON MAN AND NATURE IN THE GREAT PLAINS AND GREAT BASIN IN THEIR RELATION TO LAND USE PLANNING AND AGRICULTURAL POLICIES

Excerpts from the announcement of this Conference illustrate the high level of basic thinking encouraged by the Department as well as the use of the regional conference. The Conference, sponsored by the Department, was held at Flagstaff, Arizona, on September 4, 5, and 6, 1939.

As stated in the announcement, the purpose of the Conference was

as follows:

The Great Plains and Inter-Mountain Basin present some of the most difficult problems of land used in relation to human beings found anywhere in the agricultural areas of the United States. These problems have been made acute by the succession of drouths in this region for the last quarter of a century. It is generally believed that something has taken place in the relationship between man, his culture, and nature in this region, which has accelerated erosion and brought about ecological changes. Are these related to climatic and geological change?

Many people in the Department of Agriculture and in the Land Grant Colleges have been concerning themselves with special phases of this problem as they relate to matters of immediate practical application. The same is true of agencies concerned with water conservation and its economic use.

These problems have also attracted the attention of many research agencies working in certain of the so-called "pure sciences" in the United States. Thus far, however, there has been little, if any, gettogether between the workers in the so-called "pure sciences," who are approaching the problem in its long-time aspects from several different directions, and those concerned with planning and administrative problems. The suggestion has been made several times in the past few years that there was need for a small informal get-together—a sort of discussion group or forum, so to speak—to consider the question outlined above in its entirety.

This conference should deal with such questions as: Is there evidence of long-time climatic cycles in this region and if so where are we in

such a cycle? This question interests astronomers, physicists, tree ring scientists, archaeologists and contemporary geologists. Other questions are: What are the ecological changes that have been and are taking place? Is accelerated soil erosion going on at the present time? What are the evidences pro and con? How can man and nature live harmoniously in this region?

A maximum of discussion and a minimum of formal papers was to be the method of procedure. The nature of the Conference is stated in the announcement:

One of the reasons for the conference is that many of those attending are working in the field of land use planning and agricultural policies and are not experts in the field of the pure sciences. This is an occasion for them to be oriented and brought up to date on the thinking in the pure sciences regarding Great Plains and Inter-Mountain problems. This should be borne in mind by the scientists who present discussion material. They should remember that by and large they will be talking to technicians and planners in the field of agriculture, rather than specialists in particular fields of science. It is desired that the discussions in each branch of the pure sciences (pure science is used here in contrast to applied science as in agricultural technology) be presented in reasonably simple and untechnical language and state two things:

1. Accomplishments in the last decade or so in the parts of the field where there is more or less general agreement.

2. The present frontier of the science with the different types of thinking and different theories. It is desired that speakers in the fields of science get before the general audience points of disagreement and contrasting theories as well as the points of more or less general agreement. It is hoped that this can be done in a spirit of good nature and tolerance. At the start it should be understood that there should be free discussion and that when contrasting or opposed points of view are presented, it is not necessary for those who hold differing points of view to argue them at length. Rather, the conference should see that the different, yet legitimate, points of view of scientists are presented and are presented in such a way that they are understood. There should be open discussion, rather than combative argument regarding them.

Indicating the scope of discussion, the topics were outlined in the announcement. First the Conference was to review the physical factors of the region using the following topics as a guide: Meteorological Background, The Evidence of Climatic Change, Ecological Changes in the Great Plains and the Arid Southwest, and the Geological Approach.

The announcement outlined that the Conference would follow this review with a discussion of the present status of land-use planning and the coordination of policies in the Great Plains. The final broad topic

for consideration included in the announcement was the relationship of man and his culture to the region. Centering around this topic the Conference was to concentrate on the effects of the land-use program on this relationship and on the possible assistance for greater adjustment that the Department might give. General questions to be posed included

Can Man Adjust his Culture to the Unchangeable Aspects of Nature? To What Extent Can Science Produce a Program for Land Use in the Great Plains and Inter-Mountain Basin, Which, If Put Into Operation, Will Stabilize the Varying Environment in Bringing About a Harmony Between Man and Nature?

Assuming that this can be done will man adjust his culture to it and what techniques of education and democratic action are necessary to intervene between scientific research, agricultural planning and

the acceptance and operation of these plans by man?

The announcement indicated that the Conference would end with formal discussions on the Viewpoint of a Cultural Anthropologist, What Can Be Learned from the History of Science About the Acceptance of Man of Scientific Ideas, and Democratic Processes and Instruments of Adult Education.

Listed in the announcement as among the academic institutions to representatives of which invitations had been sent were the Carnegie Institution, Museum of Northern New Mexico, Howard University, the University of Nevada, Montana State College, North Dakota State College, South Dakota State College, University of Wyoming College of Agriculture, Utah Agricultural College, University of Nebraska, College of Agriculture, Kansas State College, Oklahoma State College, Western State College, Panhandle Agricultural and Mechanical College, Colorado State College, Agricultural and Mechanical College of Texas, Texas Technological College, University of New Mexico, New Mexico State College, University of Arizona College of Agriculture, University of California College of Agriculture, Giannini Foundation College of Agriculture University of California, and University of Idaho College of Agriculture.

Among the government agencies invited to participate were the following: in the Department of Interior, the Bureau of Reclamation, Bureau of Indian Affairs, U. S. Geological Survey, Public Land Office, National Park Service, Division of Grazing; in the National Resources Planning Board, the Water and Land Committee and the Northern Great Plains Committee; in the Department of Agriculture, the Office

of Land Use Coordination, Bureau of Agricultural Economics, Forest Service, Weather Bureau, Soil Conservation Service, Agricultural Adjustment Administration, Farm Security Administration, Division of Marketing, Bureau of Plant Industry, Crop Insurance Corporation, Rural Electrification Administration, Office of Experiment Stations, and Agricultural Extension Service.

LOCATION OF FOUR FIELD RESEARCH LABORATORIES

The report of the Special Department Committee on Major Farm Producing Areas and Commodities of August, 1938 (summarized here) was the basis for the grouping of states into four areas in each of which a research laboratory was to be located. (See page 391 in the text.)

Section 202 of the Agricultural Adjustment Act of 1938 required the Secretary to divide the country into four "major farm producing areas" and to establish a research laboratory in each. Furthermore, the Act provided for the allocation of one-fourth of the funds made available for the establishment and the maintenance of these laboratories to each major producing area. The Secretary, therefore, appointed a committee on February 16, 1938, to determine four major farm producing areas.

The Committee on July 9, 1938, suggested a grouping of states into four such areas and a list of commodities to be included in the initial research program.

Basis for Areas Recommended

The Committee recommended four areas to be known as the Eastern, the Southern, the Northern, and the Western Producing Areas (the report of the Committee, made after the recommendations of July 9, included a map showing the areas).

The Southern Area consisted of Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, Oklahoma, South Carolina, Texas; the Eastern Area consisted of Connecticut, Delaware, Kentucky, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, North Carolina, Pennsylvania, Rhode Island, Tennessee, Vermont, Virginia, West Virginia; the Northern Area included Illinois, Indiana, Iowa, Kansas, Minnesota, Missouri, Nebrasla, North Dakota, Ohio, South Dakota, Wisconsin, Michigan; and the Western Area included Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, Wyoming.

While the Committee recognized that any one of several combinations of states might have been justifiable for this purpose, it selected the com-

bination recommended on the basis of the least possible diversity among the groups in population and area, value of farm property, and gross cash income from sale of crops and livestock. (Statistics on these items were tabulated in the Committee's report.) More important than these criteria, according to the Committee's report, was the "essential geographical unit of the areas recommended and the opportunity which this grouping of States affords for equalizing and coordinating the research work among the farm laboratories." We found some opinion that the regional laboratories might become over-all planning agencies. Such a development may have been implied in the Committee's statement:

while giving full consideration to questions bearing on regional interest and unity of each area, the committee has had in mind constantly the essential consideration that areas must be so defined and the work so organized . . . that ultimately it will be possible to include in the program . . . the major surplus commodities of interest to any area. In general, the results of this research on any commodity will know no boundaries of State or area, but will benefit all areas where the commodity is purchased.

A final consideration in the choice of this grouping of states was their general consistency with five A.A.A. divisions.

Part of Laboratory Program

The Committee recommended the following list of commodities for the initial work of the research laboratories: in the Southern Area, cotton, sweet potatoes, peanuts; in the Northern Area, corn, wheat, agricultural waste products; in the Eastern Area, tobacco, apples, Irish potatoes, milk products, vegetables; and in the Western Area, fruits (other than apples), Irish potatoes, wheat, alfalfa.

In the selection of these commodities the Committee considered the geographical extent, the size, and the persistence of surplus problems of each one. (The report included a table showing statistics on production of these commodities in each area.)

REGIONS AND REGIONAL OFFICES OF THE UNITED STATES DEPARTMENT OF AGRICULTURE

Regional units of the Department's line bureaus were given in the Directory of Organization and Field Activities of the Department of Agriculture.*

A.A.A. (6, called "divisions"). Northeast, East Central, North Central, Southern, Western, and Insular.

^{*} Misc. Pub. No. 304 (Feb., 1938).

Soil Conservation Service (11). Northeast, Southeastern, Ohio Valley, Mid-South, Upper Mississippi, Southern Great Plains, Wind-Erosion, Central Great Plains, Southwestern, Northwest, Pacific Southwestern, Pacific Northwestern.

REGIONAL RESEARCH LABORATORIES (4, based upon "major farm producing areas"). Southern, Northern, Eastern, Western.

WEATHER BUREAU. Six forecast districts.

Forest Service. Twelve forest and range experimental station regions and 10 regions for its general operations.

FARM SECURITY ADMINISTRATION. Twelve regions based upon groups of states, except in the Great Plains where the boundary lines of a few districts cut across states for reasons reflecting basic natural factors and administrative convenience in meeting the problems thus produced.

Despite the adjustment of regional offices from time to time that makes it impossible to present a description of the Department's regional organization that would hold true for many years, we give herewith a list of cities and groups of cities with the largest number of permanent employees of the Department, based upon studies that we made during the summer of 1938. We reemphasize the warning conveyed above that these figures are illustrative only, that there are changes from time to time in the location of bureau offices in the field, and that the numbers given here are only approximate:

O	,		
City		Number of Employees	Agencies Represented
Albuquerque	, N.M	602	Off. of the Solicitor, Bur. Animal Ind., Forest Serv., Bur. Plant Ind., Soil Cons. Serv., Weather Bur.
Amarillo, Te	x	304	Farm Sec. Admin., Soil Cons. Serv., Off. of the Solicitor, Weather Bur.
Atlanta, Ga.	• • • • • • • • • • • • • • • • • • • •	193	Off. of the Solicitor, Bur. Ag. Econ., Bur. Animal Ind., Bur. Ent. & Plant Quar., Food & Drug Admin., Forest Serv., Bur. Plant Ind., Weather Bur., Bur. Pub. Roads
Baton Rouge,	, La	43	A.A.A., Bur. Ag. Econ., Bur. Animal Ind., Bur. Ent. & Plant Quar., Bur. Plant Ind., Bur. Pub. Roads
Berkeley, Ca	lif	64	A.A.A., Bur. Ent. & Plant Quar., Forest Serv., Bur. Ag. Eng., Bur. Bio. Survey, Bur. Chem. & Soils
Boston, Mass.		166	A.A.A., Bur. Ag. Econ., Bur. Animal Ind., Bur. Ent. & Plant Quar., Food & Drug Admin., Weather Bur., Bur. Pub. Roads

City	Number of Employees	Agencies Represented
Chicago, Ill	566	A.A.A., Bur. Ag. Econ., Bur. Animal Ind., Commod. Ex. Admin., Bur. Ent. & Plant Quar., Food & Drug Admin., Bur. Plant Ind., Weather Bur.
Denver, Colo	509	Off. of the Solicitor, A.A.A., Bur. Ag. Econ., Bur. Animal Ind., Food & Drug Admin., Forest Serv., Weather Bur., Farm Sec. Admin., Bur. Bio. Survey,
Colorado Springs, Col Dallas, Tex	lo	Bur. Pub. Roads Forest Serv., Soil Cons. Serv. A.A.A., Bur. Ag. Econ., Bur. Ent. & Plant Quar., Weather Bur., Farm Sec. Admin.
Fort Collins, Colo	28	Bur. Ent. & Plant Quar., Forest Serv., Bur. Plant Ind., Bur. Ag. Eng.
Fort Worth, Tex	228	Bur. Ag. Econ., Bur. Animal Ind., Soil Cons. Serv., Weather Bur., Bur. Pub. Roads
Indianapolis, Ind	371	Bur. Ag. Econ., Bur. Animal Ind., Weather Bur., Farm Sec. Admin.
Jersey City, N.J.	36	Bur. Animal Ind. Bur. Animal Ind.
Kansas City, Kans Kansas City, Mo	174	A.A.A., Bur. Ag. Econ., Bur. Animal Ind., Food & Drug Admin., Commod. Ex. Admin., Weather Bur.
Lincoln, Nebr	379	Off. of the Solicitor, A.A.A., Bur. Ag. Econ., Bur. Animal Ind., Bur. Ent. & Plant Quar., Forest Serv., Bur. Plant Ind., Soil Cons. Serv., Weather Bur., Farm Sec. Admin.
Little Rock, Ark	297	Farm Sec. Admin., A.A.A., Bur. Ag. Econ., Bur. Animal Ind., Weather Bur., Bur. Pub. Roads
Milwaukee, Wis	375	Off. of the Solicitor, Bur. Ag. Econ., Bur. Animal Ind., Bur. Ent. & Plant Quar., Farm Sec. Admin., Forest Serv., Weather Bur., Bur. Ag. Eng.
Minneapolis, Minn.	53	A.A.A., Bur. Ag. Econ., Food & Drug Admin., Commod. Ex. Admin., Weather Bur., Bur. Bio. Survey
Montgomery, Ala	372	A.A.A., Bur. Ag. Econ., Bur. Animal Ind., Bur. Ent. & Plant Quar., Forest Serv., Weather Bur., Farm Sec. Admin., Bur. Pub. Roads
Newark, N.J		Bur. Ag. Econ., Bur. Animal Ind., Weather Bur.
New Orleans, La	173	A.A.A., Bur. Ag. Econ., Bur. Animal Ind., Bur. Ent. & Plant Quar., Food & Drug Admin., Forest Serv., Bur. Plant Ind., Weather Bur., Bur. Bio. Survey

New York, N.Y	City Number	
Ind., Bur. Ent. & Plant Quar., Food & Drug Admin., Commod. Ex. Admin., Bur. Plant Ind., Weather Bur. Bur. Plant Ind., Weather Bur. Bur. Plant Roads Omaha, Nebr. 186 Bur. Ag. Econ., Bur. Animal Ind., Bur. Ent. & Plant Quar., Weather Bur., Bur. Pub. Roads Philadelphia, Pa. 179 Bur. Ag. Econ., Bur. Animal Ind., Bur. Ent. & Plant Quar., Food & Drug Admin., Forest Serv., Weather Bur., Bur. Plant Ind. Phoenix, Ariz. 80 Bur. Ag. Econ., Bur. Animal Ind., Bur. Ent. & Plant Quar., Forest Serv., Weather Bur., Bur. Plant Ind. Phoenix, Ariz. 100 Bur. Ag. Econ., Bur. Animal Ind., Bur. Ent. & Plant Quar., Forest Serv., Weather Bur., Bur. Bio. Survey, Bur. Pub. Roads Portland, Ore. 100 A.A.A., Off. of the Solicitor, Bur. Ag. Econ., Bur. Animal Ind., Bur. Ent. & Plant Quar., Forest Serv., Weather Bur., Forest Serv., Bur. Plant Ind., Weather Bur., Bur. Bio. Survey, Bur. Pub. Roads A.A.A., Bur. Ag. Econ., Bur. Animal Ind., Bur. Ent. & Plant Quar., Forest Serv., Bur. Plant Ind., Weather Bur., Farm Sec. Admin., Bur. Bio. Survey, Bur. Pub. Roads St. Paul, Minn. 160 A.A.A., Bur. Ag. Econ., Bur. Animal Ind., Bur. Ent. & Plant Quar., Forest Serv., Bur. Pub. Roads Sacramento Calif. 160 A.A.A., Bur. Ag. Econ., Bur. Animal Ind., Bur. Ent. & Plant Quar., Commod. Ex. Admin., Bur. Plant Ind., Weather Bur., Bur. Ag. Econ., Bur. Animal Ind., Bur. Ent. & Plant Quar., Forest Serv., Bur. Bur. Bio. Survey, Bur. Pub. Roads Sacramento Calif. 150 A.A.A., Bur. Ag. Econ., Bur. Animal Ind., Bur. Ent. & Plant Quar., Forest Serv., Soil Cons. Serv. Soil Cons. Serv. Safford, Ariz. 151 Bur. Ent. & Plant Quar., Forest Serv., Soil Cons. Serv.	of Employees	Agencies Represented
Oakland, Calif. Oakland, Calif. Omaha, Nebr. Omaha, Nebr. Italian, Bur. Ent. & Plant Quar., Weather Bur. Bur. Pub. Roads Bur. Ag. Econ., Bur. Animal Ind., Bur. Ent. & Plant Quar., Weather Bur., Bur. Pub. Roads Philadelphia, Pa. Italian Italian, Porest Serv., Weather Bur., Bur. Ag. Econ., Bur. Animal Ind., Bur. Ent. & Plant Quar., Forest Serv., Weather Bur., Bur. Ag. Econ., Bur. Animal Ind., Bur. Ent. & Plant Quar., Forest Serv., Weather Bur., Bur. Ag. Econ., Bur. Animal Ind., Bur. Ent. & Plant Quar., Forest Serv., Weather Bur., Bur. Bur. Bio. Survey, Bur. Pub. Roads Portland, Ore. 505 A.A.A., Off. of the Solicitor, Bur. Ag. Econ., Bur. Animal Ind., Bur. Ent. & Plant Quar., Forest Serv., Weather Bur., Farm Sec. Admin., Bur. Bio. Survey, Bur. Pub. Roads Raleigh, N.C. 355 A.A.A., Bur. Ag. Econ., Bur. Animal Ind., Bur. Ent. & Plant Ind., Weather Bur., Farm Sec. Admin., Bur. Bio. Survey, Bur. Pub. Roads St. Paul, Minn. 160 A.A.A., Bur. Ag. Econ., Bur. Animal Ind., Bur. Ent. & Plant Quar., Forest Serv., Bur. Plant Ind., Weather Bur., Bur. Ag. Econ., Bur. Animal Ind., Bur. Ent. & Plant Quar., Forest Serv., Bur. Plant Ind., Weather Bur., Bur. Ag. Econ., Bur. Animal Ind., Bur. Ent. & Plant Quar., Forest Serv., Bur. Plant Ind., Weather Bur., Bur. Ag. Econ., Bur. Animal Ind., Bur. Ent. & Plant Quar., Forest Serv., Bur. Bur. Bio. Survey, Bur. Ag. Econ., Bur. Animal Ind., Bur. Ent. & Plant Quar., Forest Serv., Soil Cons. Serv. Safford, Ariz. 135 Safford, Ariz. 136 South St. Paul, Minn. 104 St. Louis, Mo. 105 Trenton, N.J. 108 Drug Admin., Forest Serv., Bur. Plant Ind., Weather Bur., Plant Ind., Weather Bur., Plant Ind., Weather Bur., Bur. Plant Ind., Weather Bur.	New 10rk, N.1378	Ind Bur Ent & Plant Quar Food &
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Omaha, Nebr. 186 Bur. Pub. Roads Bur. Ent. & Plant Quar., Weather Bur., Bur. Pub. Roads Philadelphia, Pa. 179 Bur. Ap. Econ., Bur. Animal Ind., Bur. Ent. & Plant Quar., Food & Drug Admin., Forest Serv., Weather Bur., Bur. Plant Ind. Bur. Ag. Econ., Bur. Animal Ind., Bur. Ent. & Plant Quar., Forest Serv., Weather Bur., Bur. Plant Ind. Bur. Ag. Econ., Bur. Animal Ind., Bur. Ent. & Plant Quar., Forest Serv., Weather Bur., Bur. Bio. Survey, Bur. Pub. Roads A.A.A., Off. of the Solicitor, Bur. Ag. Econ., Bur. Animal Ind., Bur. Ent. & Plant Quar., Forest Serv., Bur. Plant Ind., Weather Bur., Farm Sec. Admin., Bur. Bio. Survey, Bur. Pub. Roads Raleigh, N.C. 355 A.A.A., Bur. Ag. Econ., Bur. Animal Ind., Bur. Ent. & Plant Ind., Weather Bur., Farm Sec. Admin., Bur. Plant Ind., Weather Bur., Farm Sec. Admin., Bur. Plant Ind., Weather Bur., Bur. Ag. Eng., Bur. Ap. Econ., Bur. Animal Ind., Bur. Ent. & Plant Quar., Forest Serv., Bur. Plant Ind., Weather Bur., Bur. Ag. Eng., Bur. Bio. Survey, Bur. Ag. Eng., Bur. Bio. Survey, Bur. Pub. Roads A.A.A., Bur. Ag. Econ., Bur. Animal Ind., Bur. Ent. & Plant Quar., Forest Serv., Soil Cons. Serv. Safford, Ariz. 135 Safford, Ariz. 135 Safford, Ariz. 136 South St. Paul, Minn. 104 St. Louis, Mo. 142 Note the Solicitor, Off. of Info., A.A.A., Bur. Ag. Econ., Bur. Animal Ind., Weather Bur., Bur. Ent. & Plant Quar., Forest Serv., Bur. Plant Ind., Weather Bur., Bur. Ag. Econ., Bur. Animal Ind., Bur. Ent. & Plant Quar., Forest Serv., Soil Cons. Serv. Coff. of the Solicitor, Off. of Info., A.A.A., Bur. Ag. Econ., Bur. Animal Ind., Weather Bur., Ent. & Plant Quar., Forest Serv., Weather Bur., Bur. Ent. & Plant Quar., Forest Serv., Bur. Pub. Roads Tucson, Ari		Bur. Plant Ind., Weather Bur.
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Serv., Weather Bur., Bur. Bio. Survey Bur. Ag. Econ., Bur. Animal Ind., Bur. Ent. & Plant Quar., Weather Bur., Bur. Pub. Roads Tucson, Ariz. 41 A.A.A., Bur. Ent. & Plant Quar., Forest	,	Ind., Food & Drug Admin., Forest
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	Tucson, Ariz41	A.A.A., Bur. Ent. & Plant Quar., Forest
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